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# ***Daily Report***

## **East Asia**

**FBIS-EAS-93-142  
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# Daily Report

## East Asia

FBIS-EAS-93-142

### CONTENTS

27 July 1993

NOTICE TO READERS: An \* indicates material not disseminated in electronic form.

#### INTER-ASIAN AFFAIRS

Malaysia's Badawi Criticizes 'Double Standards' [Kuala Lumpur International]	1
ASEAN Foreign Ministers Endorse Security Forum [Manila Radio]	1
ASEAN Holds Meetings With Russia, SRV, Laos [Singapore Radio]	1
SRV, Laos Seek Greater ASEAN Cooperation [Bangkok THE NATION 25 Jul]	1
APEC Endorsed; EAEC Accepted 24 Jul [AFP]	2
ROK Asks PRC Help on DPRK Nuclear Issue [Seoul Radio]	3
ROK,PRC: DPRK's Turn for Action [Seoul YONHAP]	3
SRV Foreign Minister on Cam Ranh Bay, Paracels [Singapore BUSINESS TIMES 26 Jul]	3
Thailand Holds Talks With Vietnam, Cambodia [Bangkok TV]	4
PRC Spokesman on Christopher-Qian Talks [Kuala Lumpur BERNAMA]	4
PRC Spokesman on Qian's Paracel Islands Remarks [Tokyo KYODO]	5
Indonesia's Alatas Meets With PRC's Qian [Jakarta ANTARA]	5
Business Leaders Club Urges Support of EAEC [Singapore BUSINESS TIMES 26 Jul]	6
Australia Welcomes ASEAN Consensus on EAEC [Singapore BUSINESS TIMES 26 Jul]	6
Evans: Need To Accommodate Concept [Melbourne Radio]	7
Japan's Muto Arrives for Postministerial Talks [Tokyo KYODO]	7
Annual Postministerial Conference Opens 26 Jul [Kuala Lumpur BERNAMA]	7
Relationship Among Equals Stressed [Bangkok BANGKOK POST 27 Jul]	8
Japan Expresses New EAEC Stance [Kuala Lumpur BERNAMA]	9
ASEAN Consensus on EAEC Viewed [Kuala Lumpur International]	9
EAEC Not 'Closed Trading Bloc' [Kuala Lumpur BERNAMA]	10
Tokyo Vows Active Security Role [Tokyo KYODO]	11
Singaporean Minister Speaks [Singapore Radio]	11
Weapons Proliferation Discussed [Bangkok BANGKOK POST 27 Jul]	11
Wider Cambodian Conference Proposed [Singapore Radio]	12
Thai Minister on U.S. Stand on KR [Bangkok BANGKOK POST 27 Jul]	12
Aid Pledged To Rebuild Cambodia [Kuala Lumpur BERNAMA]	12
ROK's Minister, Christopher Meet [Seoul YONHAP]	13
Maintaining Regional Peace Discussed [Kuala Lumpur BERNAMA]	13

#### NORTHEAST ASIA

##### Japan

Gotoda 'Not' To Seek LDP Presidency [KYODO]	15
LDP Plans Diet Session To Elect Premier [KYODO]	15
JNP, Sakigake Fuel Momentum Toward Coalition [KYODO]	15
Non-LDP Alliance Okays JNP-Sakigake Plan [KYODO]	17
LDP Accepts JNP-Sakigake Electoral Plan [KYODO]	17
Hosokawa Denies JNP To Form LDP Coalition [KYODO]	18
JNP, Sakigake To Join Opposition Coalition Talks [KYODO]	18
Coalition Talks Begin 27 Jul [KYODO]	19
Agree on Peacekeeping, Budget [KYODO]	19
Seven Parties 'Closer' to Non-LDP Coalition [KYODO]	20
Orthodox Economic Growth Urged To Boost Economy [KYODO]	21
Hayashi Comments on White Paper [KYODO]	22
Panel Planned To Improve Public Works Bidding [KYODO]	22
Governors on Donations From Construction Firms [KYODO]	22
Governor Reportedly Admits Receiving Money [KYODO]	23



## North Korea

Pyongyang Marks 40th Anniversary of War 'Victory' .....	24
PRC Delegation Attends Ceremony [Pyongyang Radio] .....	24
Kang Song-san Speaks at Meeting [Pyongyang Radio] .....	24
Leaders Attend Monument Ceremony [Pyongyang Radio] .....	31
Kim Il-song's Brother Attends Activity [Pyongyang Radio] .....	31
KCNA Reports Military Parade .....	32
Daily Commemorates Anniversary [Pyongyang Radio] .....	33
Editorials View Anniversary [KCNA] .....	36
Radio Reports South Fires at Outpost in DMZ [Pyongyang Radio] .....	37
KCNA Denies Report on Soldiers Defecting to PRC .....	37
Kim Il-song, PLO's 'Arafat Hold Talks 26 Jul [KCNA] .....	37
* Pyongyang Pushing Oil Field Development [Seoul SISA JOURNAL 20 May] .....	38

## South Korea

Two U.S. F-16 Planes Collide in Exercise [YONHAP] .....	40
Collision Injures 2 Pilots [YONHAP] .....	40
Pilot Found Dead in Cockpit [YONHAP] .....	40
Pilot Mistake May Be Cause of Asiana Plane Crash [YONHAP] .....	40
66 Dead, 44 Survivors Confirmed [YONHAP] .....	40
Seoul, Taipei Establish 'Unofficial Ties' [YONHAP] .....	41
DPRK Said To Export Midget Submarines to Iran [CHOSON ILBO 27 Jul] .....	41
Kim Il-song's Brother Appears Following Absence [CHOSON ILBO 27 Jul] .....	41
Brother's Background Detailed [YONHAP] .....	41
Daily Views DPRK's 'Breach' of Geneva Accord [THE KOREA HERALD 27 Jul] .....	42
Minister: Nuclear Issue Priority in North Talks [YONHAP] .....	42
Seoul Plans To Propose Water Pact With North [YONHAP] .....	42
Russia Said To Restrict Travel to DPRK [HANGUK ILBO 27 Jul] .....	43
Seoul, Moscow Said To Hold Aviation Talks in Sep [YONHAP] .....	43
AT&T To Compete for Telephone Switch Contracts [THE KOREA HERALD 27 Jul] .....	43
Seoul, Beijing Sign Post, Telecoms Agreement [YONHAP] .....	44
PRC To Supply Heavy Water to Atomic Power Station [TONG-A ILBO 25 Jul] .....	44
Japan Begins Interviewing Former 'Comfort Women' [KYODO] .....	45
Minister Urges ASEAN Include DPRK in New Order [YONHAP] .....	45
Foreign Investment \$440 Million in 1st Half 1993 [YONHAP] .....	45
Ministry Confirms No New Underground Tunnels [Seoul Radio] .....	46
* Census Reveals Widening Male Surplus [SISA JOURNAL 17 Jun] .....	46
* Aircraft Makers View Sector Specialization [CHOSON ILBO 16 Jun] .....	47

## SOUTHEAST ASIA

### Burma

Rangoon Students Arrested for Protest 7 Jul [Bangkok BANGKOK POST 24 Jul] .....	49
Delegates To Present Reports at Plenary Session [Rangoon Radio] .....	49
Rohingyas Repatriated From Bangladesh 16 Jul [Rangoon Radio] .....	50

### Brunei, Malaysia & Singapore

#### Malaysia

Commentary Hails ASEAN Accomplishments [Kuala Lumpur International] .....	50
Minister Offers Legal, Judicial Help to SRV [BERNAMA] .....	51
Two Sabah Secessionists Released [UTUSAN MALAYSIA 17 Jun] .....	51

#### Cambodia

PNGC Condemns KR Attacks on Vietnamese [Phnom Penh Radio] .....	51
Ranariddh on Rehabilitation of Country [Phnom Penh Radio] .....	51



Ranariddh Meets Polish Ministry Delegation [Phnom Penh Radio] .....	57
Hun Sen Receives Delegation [Phnom Penh Radio] .....	58

## Indonesia

Incumbent Reelected as Opposition Party Chairman [Jakarta Radio] .....	58
Opposition Congress 'Tumultuous' [AFP] .....	58
Government To Decide on Party Rift [ANTARA] .....	59
Editorial Hopes for Real Political Reconciliation [THE JAKARTA POST 15 Jul] .....	59
Paper Reports Failure of Exxon-Pertamina Talks [TEMPO 17 Jul] .....	60
Official Explains Failure [Jakarta Radio] .....	61

## Philippines

Ramos Details Legislative Agenda for Congress [Manila Radio] .....	61
--	----

## Thailand

Editorial Praises ASEAN Nuclear-Free Moves [BANGKOK POST 27 Jul] .....	64
Seminar Held on Prevention of Copyright Violations [Bangkok TV] .....	64
Delegates Deny Secret Copyright Deal With U.S. [BANGKOK POST 27 Jul] .....	64
Official Concerned Over New Copyright Law [THE NATION 27 Jul] .....	65
Lao Trade Delegation Seeking Enhanced Relations [Bangkok Radio] .....	66
Laos Refuses To Accept Hmong Who Fled in 1975 [BANGKOK POST 26 Jul] .....	66
National Security Chief on Relations With Laos [Bangkok Radio] .....	66
Views Regional Cooperation [Bangkok Radio] .....	67
Condemns Terrorist Acts in Cambodia [Bangkok Radio] .....	67
Kazakh President Concludes Visit 23 Jul [Bangkok TV] .....	67
Official Views Territorial Waters Dispute With SRV [THE NATION 24 Jul] .....	68

## Vietnam

Foreign Minister on POW, MIA Issue in Singapore [Hanoi International] .....	68
Commentary Reviews U.S., Japanese Economic Ties [Hanoi International] .....	68
Army To Distribute Educational Book on Religion [AFP] .....	69
Cambodian Cochairmen Greet Vo Van Kiet [VNA] .....	69
Deputy Foreign Minister Visits Lebanon [VNA] .....	69
Singaporean Leaders Receive Foreign Minister [VNA] .....	69
Delegation of Party Officials Visits PRC [VNA] .....	70
Lao Information Minister Pays 'Working Visit' [VNA] .....	70
Minh Hai Economic Team Visits Thailand [VNA] .....	70
Trade Delegation Returns From Visit to Russia [VNA] .....	70
Vice Premier Phan Van Khai Visits Brunei [VNA] .....	70
Vice Prime Minister Receives Lao Delegation [VNA] .....	71
Land, Agricultural Land-Use Tax Laws Introduced [Hanoi Radio] .....	71
Country Developing Economic Growth Triangles [Bangkok BANGKOK POST 27 Jul] .....	71
Accused Drug Trafficker Condemned in Ha Giang [VNA] .....	72

## AUSTRALASIA

### Australia

Kazakhstan Prime Minister Visits 23 Jul [AFP] .....	73
---	----

### Tonga

Rimsat Parks Satellite in Space Taken by Indonesia [AFP] .....	73
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**Malaysia's Badawi Criticizes 'Double Standards'**

*BK2307134293 Kuala Lumpur Voice of Malaysia in English 0800 GMT 23 Jul 93*

[Text] Malaysia today hit out at the application of double standards by countries most responsible and able to act to save Bosnia Herzegovina. Foreign Minister Datuk Abdullah Ahmad Badawi said the carnage of the Bosnian people and denial of their basic human rights should not be ignored. He said this in his address at the opening of the ASEAN Ministerial Meeting in Singapore.

Datuk Abdullah said the desperate flight and anguish of the anguished Bosnian people whose right to live, indeed to survive, called for the decisive action on the part of the international community. It is not too late for the United Nations Security Council to act decisively to halt the Serbian aggression.

Touching on regional politics, the minister said there is now a more positive political environment. With the end of the cold war, the Southeast Asian sub-region and the larger Asia-Pacific region is no longer hampered by ideological and other cold war constraints.

**ASEAN Foreign Ministers Endorse Security Forum**

*HK2407064293 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 24 Jul 93*

[Text] ASEAN foreign ministers have endorsed a proposal to convene a security forum for countries within the Pacific region. Foreign Secretary Roberto Romulo said during the opening of the 26th ASEAN Ministerial Meeting in Singapore that countries with interests in the region should also be included in the meeting. Aside from the Philippines, other members of ASEAN are Thailand, Malaysia, Brunei, Indonesia, and Singapore. Foreign ministers of ASEAN wanted their primary trading partners, such as the U.S., Japan, and the European Community, to also be included in the talks.

**ASEAN Holds Meetings With Russia, SRV, Laos**

*BK2407122093 Singapore Singapore Broadcasting Corporation in English 1100 GMT 24 Jul 93*

[Summary from poor reception] Consultative meetings were held between ASEAN ministers and foreign ministers from Russia, Vietnam, and Laos. Russia proposed an advance committee with ASEAN to coordinate ties between the two sides. Its foreign minister Andrey Kozyrev also invited the ASEAN secretary general to visit Russia to discuss matters of cooperation. He said both sides should take advantage of new opportunities for peace and security in the Asia-Pacific region. Mr. Kozyrev reiterated a Russian proposal for a conflict prevention center. He said Russian troop level in the Far East would be cut down half in two years' time.

Another consultative meeting was held with Vietnamese officials. Foreign Minister Wong Kan Seng said ASEAN is willing to explore more areas of cooperation with Vietnam—science and technology, health, information, and tourism.

Mr. Wong Kan Seng also opened the ASEAN-Laos consultative meeting. He said ASEAN is to help Laos develop its economy.

**SRV, Laos Seek Greater ASEAN Cooperation**

*BK2507030093 Bangkok THE NATION in English 25 Jul 93 p A2*

[Text] Vietnam yesterday proposed that a liaison official be appointed to handle Asean-Vietnam cooperation in the future.

Vietnamese Foreign Minister Nyugen Manh Cam said in his opening speech during a dialogue with his Asean counterparts that his country also would like to participate in the Asean Economic Ministers' Meeting and other Asean forums. He said the time is right for Vietnam and Asean to further bilateral and multilateral cooperation.

Vietnam wishes to join Asean cooperation programmes in science and technology, the environment, culture and information, public health and tourism. Asean foreign ministers will consider the Vietnamese request on a case by case basis, and if necessary will consult its dialogue partners.

The Philippines, Malaysia and Thailand took note of Vietnam's proposal, saying that there should be no problem with its participation in Asean forums except for the Asean Economic Ministers Meeting, which is restricted to Asean members.

"We need to discuss this issue before it can be decided on because some of the topics discussed, such as Afta, might be not be compatible with Vietnam," said a Thai official.

In his speech, Cam also touched on the Cambodian situation and the territorial disputes in the South China Sea, of which Vietnam is one of the seven contending parties.

Vietnam has reaffirmed its support of Asean's Declaration on the South China Sea in 1992 which calls on all claimants to abstain from using force and to exercise self-restraint. Cam said Vietnam is ready to take active part in the negotiations with countries concerned to seek a settlement to the problem.

On bilateral ties, Cam also expressed satisfaction over Vietnam-Asean relations, saying that the trade volume between the two last year reached US\$1.7 billion, accounting for 35 per cent of Vietnam's total exports.

Asean investment in Vietnam, he said, is about 10 per cent of total foreign direct investment. There are



exchanges of visits on all levels, which have improved mutual understanding between Vietnam and Asean, he said.

In reply, Singaporean Foreign Minister Wong Kan Seng said 1992 was a benchmark year for Vietnam-Asean relations, with 79 delegations at the ministerial level and its signing of 30 agreements with its Asean neighbours. Wong said that Asean and Vietnam must join hands to reconstruct and rehabilitate Indochina.

Asean and Vietnam have engaged in increasing dialogue, which has helped to resolve issues and settle differences, thus auguring well for future cooperation on regional security, he said.

In the South China Sea, he said, Vietnam and Asean can cooperate in working towards regional peace.

During a bilateral meeting between Asean and Laos, Wong said the prospects for political and economic cooperation between Asean and Laos are better than ever before. "Laos has cordial relations with all its Southeast Asian neighbours. It does not have serious bilateral problems with any Asean country," he said.

He said Laos' integration with other Southeast Asian countries would be complete if Laos moves onward with Asean and shares in the prosperity of the rest of the region.

Laos, represented by Foreign Minister Somsavat Lengsavat, expressed satisfaction over Lao-Asean relations, which have seen trade and investment growing.

#### **APEC Endorsed; EAEC Accepted 24 Jul**

*BK2407120893 Hong Kong AFP in English 1152 GMT 24 Jul 93*

[by Mervi Nambiar]

[Text] SINGAPORE, July 24 (AFP)—The Association of Southeast Asian Nations (ASEAN) Saturday reiterated support for the Asia-Pacific Economic Cooperation (APEC) forum but failed to endorse a U.S. call for an informal meeting of APEC leaders later this year.

Foreign ministers of the six ASEAN countries said in a joint communique released after their two-day annual meeting that they would continue to play a constructive role in APEC, formed in 1989 to support economic growth among Pacific Rim nations.

But the communique made no reference to U.S. President Bill Clinton's suggestion that a ministerial meeting scheduled for November in Seattle be upgraded to an informal summit. Officials from the ASEAN countries said the foreign ministers had earlier abandoned attempts to reach a consensus on how to respond to the U.S. proposal.

The ASEAN ministers said however that they took note "of APEC as a consultative framework for sustaining growth and dynamism of the Asia-Pacific region."

Malaysian Prime Minister Mahathir Mohamed effectively ruled out a common ASEAN position on Clinton's proposal by announcing last week that he was sticking to a decision not to go to Seattle, the officials said.

Chinese Foreign Minister Qian Qichen, here for talks with the ASEAN ministers from Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand, also effectively ruled out participation by Taiwan and Hong Kong, two of APEC's most dynamic economies.

Qian, speaking at a lunch hosted by the Foreign Correspondents Association of Singapore, said that the summit, formal or informal "should only be attended by sovereign states" of APEC. "Since Taiwan and Hong Kong are regional economies, they are not sovereign states. Therefore they are not allowed to attend," he said.

China maintains that Taiwan is a rogue province it is committed to recovering while Hong Kong will revert to Chinese rule in 1997.

Among the ASEAN countries, Singapore and the Philippines have said that they will attend the Seattle talks while Thailand has said it will announce a decision only after the discussions here.

Indonesian officials said that President Suharto was almost certain to attend after telling Clinton during their recent meeting in Tokyo that the proposal was a good idea which merited serious study.

Brunei, ASEAN's smallest member by population, has not indicated which way it will go.

The APEC groups the ASEAN countries with the United States, Canada, South Korea, Japan, China, Taiwan, Hong Kong, Australia and New Zealand. The group accounts for about half of the world's industrial output and 40 percent of global exports.

Malaysian opposition to APEC stems mainly from Mahathir's attempt to forge a new grouping of East Asia's fastest expanding economies, called the East Asian Economic Caucus (EAEC), analysts said. The ASEAN ministers announced agreement on the EAEC's formation in their communique effectively paving the way for the regional group to formally sell the plan to Japan and other East Asian countries.

The ministers adopted a Malaysian plan to have the EAEC operate as an extension of the ASEAN economic ministers meeting while operating as a caucus to protect East Asian interests within the larger APEC. A senior Malaysian official said that the formulation would allow the EAEC to operate as a caucus at other forums as well whenever directed by the ASEAN economic ministers.

The former U.S. President George Bush's administration criticised the Malaysian plan for the EAEC as a



potential trade bloc but the new Clinton administration has said it would withhold comment until EAEC is formally adopted by ASEAN.

#### **ROK Asks PRC Help on DPRK Nuclear Issue**

*SK2407090793 Seoul KBS-1 Radio Network in Korean  
0800 GMT 24 Jul 93*

[By reporter Kim Chin-su in Singapore]

[Text] Foreign Minister Han Sung-chu is visiting Singapore to attend a meeting of foreign ministers of the Association of Southeast Asian Nations. He held talks with PRC Foreign Minister Qian Qichen this afternoon to discuss their countries' pending issues, including North Korea's nuclear issue. This is the third time ROK and PRC foreign ministers have had talks this year.

During the talks, Foreign Minister Han Sung-chu said that at the last Geneva talks, North Korea had agreed with the United States to discuss the inspection issue, including two nuclear sites in the Yongbyon area, with the International Atomic Energy Agency within two months. He then strongly asked the PRC to persuade [solduk] North Korea to do this so that tangible results can be made within this period.

The two countries' foreign ministers also agreed in principle that with regard to the delay in signing the aviation agreement, the two countries will finalize the ROK-PRC aviation agreement in the working-level talks to be held in Beijing next month before Minister Han Sung-chu visits the PRC in October.

The two countries' foreign ministers agreed in principle to open consulates in Shenyang and Guangzhou in the PRC and in Pusan, South Korea some time this year.

#### **ROK,PRC: DPRK's Turn for Action**

*SK2507042893 Seoul YONHAP in English 0415 GMT  
25 Jul 93*

[Text] Singapore, July 25 (YONHAP)—China agreed that Seoul and Washington did all that it could on North Korean nuclear situation and that it is Pyongyang's turn to take action, South Korean Foreign Minister Han Sung-chu said Saturday.

Seoul has asked Beijing to actively persuade North Korea to comply with international community's demand for nuclear inspections, Han told South Korean reporters after an hour-long discussion with his Chinese counterpart Qian Qichen.

China, while declining to give a straightforward answer, said the situation is moving forward in the right direction and called for further efforts by the international community, he said.

Han said Beijing gave high marks to Seoul's and Washington's patience in seeking peaceful resolution to the North Korea nuclear crisis. "Foreign Minister Qian

stressed that the situation is moving positively and it would be hard to turn back on this direction," said Han.

Both of the foreign ministers are here to attend the post-ministerial conference of the Association of Southeast Asian Nations (ASEAN).

Despite lack of clear answer on China's willing intervention, Han said he was optimistic of Beijing's cooperation. "China has cooperated in the past with the international community and played an important role. I expect China to keep up its efforts in the future," he said.

Han explained to Qian that South Korea and the United States exhausted all possible ways to persuade North Korea and that now it's Pyongyang's turn to make the decision.

"And Foreign Minister Qian agreed," Han told reporters.

#### **SRV Foreign Minister on Cam Ranh Bay, Paracels**

*BK2707013493 Singapore BUSINESS TIMES in  
English 26 Jul 93 p 2*

[Text] SINGAPORE—Hanoi and Moscow are currently negotiating a new pact to allow Russian ships the use of logistical facilities in Vietnam's southern Cam Ranh Bay naval base said Vietnamese Foreign Minister Nguyen Manh Cam yesterday.

In an interview with BT, he emphasised that Cam Ranh is not, and will not become, a foreign military base. "It will only be a port providing logistical services."

He added that re-negotiation was needed as the Soviet Union had ceased to exist.

Cam Ranh Bay, a former United States military base, was taken over by Hanoi after the Vietnam War ended in 1975 and the country was reunified. Hanoi then allowed the Soviet Navy to use the military facilities.

"When the Soviet Union collapsed, the agreement (on Cam Ranh) continued to exist between Vietnam and Russia. But, in fact, the number of ships passing through this port is much smaller than before," Mr Cam said.

Turning to the dispute with China over the Paracel Islands in the South China sea, he said: "We would like to confirm that history has certified that it belongs to Vietnam."

He added that the dispute should be settled peacefully. "No country should do anything to complicate the situation (in the Paracels). We hope that principles will be respected by both the sides (Vietnam and China).

"The construction of an air base in the Paracels will make the situation more complicated, and it is not in accordance with the agreements reached between the two sides," he said.



**Thailand Holds Talks With Vietnam, Cambodia**

*BK2507152793 Bangkok Army Television Channel 5 in Thai 1200 GMT 25 Jul 93*

[Text] Thailand held bilateral discussions with Vietnam, New Zealand, and Cambodia [in Singapore]. The major topic of the discussions was the situation in Cambodia. There was an improvement in the trend toward accepting Khmer Rouge participation in a Cambodian government. Prince Norodom Sirivut said he would like to see the Khmer Rouge join the national community. The United States, meanwhile, had adopted a more flexible stand concerning financial assistance for Cambodian reconstruction, with certain conditions.

Bilateral talks between the Thai and Vietnamese foreign ministers mainly covered the problems of fishing, encroachment on national waters, and maritime security. In this connection, Thailand wanted to set up a mechanism such as joint working groups to monitor and solve the problems. On the topic of Cambodia, the Vietnamese foreign minister stressed that Vietnam will abide by the Paris peace accord and will not interfere in the affairs of Cambodia. This is in keeping with the position adopted by ASEAN and Thailand.

During talks with New Zealand, Thailand provided information on Thailand's and ASEAN's stand on the future of Cambodia—that Cambodia should be allowed to solve its own problems without interference from outside.

Reporting on his meeting with the Thai foreign minister, Cambodian Foreign Minister Prince Norodom Sirivut said he had requested Thailand's help in agricultural development since Thailand had experience in this area. Cambodia looked to Thailand on this matter. He said Cambodia needed financial support for improvement of its administrative infrastructure and for strengthening internal stability. Asked about the attitude of the Cambodian interim government concerning the inclusion of the Khmer Rouge in the new government, Prince Norodom Sirivut said the Khmer Rouge were also Cambodians and they also had the right to be a political party.

The Thai foreign minister, Squadron Leader Prasong Sunsiri, said all Cambodian factions should unite to solve their own problems. Asked what would happen to Cambodia after the withdrawal of the United Nations Transitional Authority in Cambodia, Prasong said Cambodia would need continued support from the United Nations. This could be in the form of a UN organization, or an office for Cambodian reconstruction.

**PRC Spokesman on Christopher-Qian Talks**

*BK2607050693 Kuala Lumpur BERNAMA in English 0407 GMT 26 Jul 93*

[Text] Singapore, July 26 (OANA/BERNAMA)—United States and China Sunday night discussed ways of enhancing cooperation to promote global peace and stability.

The discussions between U.S. Secretary of State Warren Christopher and China Vice Premier Qian Qichen took place here, a spokesman for the Chinese delegation said.

Briefing newsmen here, the spokesman said Qian stated that China and U.S. should upgrade their cooperation in the two areas for global interest.

Qian told the U.S. Secretary of State that China and the U.S., the two countries of major influence in the world, with special responsibility of maintaining peace and stability in the world should have good cooperation with each other, he said.

Qian, who is also Chinese Foreign Minister, is here as a guest for the ASEAN Ministerial Meeting (AMM), which ended Saturday, while Christopher is in the republic to attend the Post Ministerial Conference (PMC) with the ASEAN ministers that would begin Monday.

China's military power and its effect on regional security was a major issue at the AMM and was among the topics of discussion at the bilateral meeting between the ministers and Qian.

Qian, at several platforms during the past few days, however, had assured ASEAN That China would always uphold the policy of maintaining peace and stability in the region and adopt the negotiative approach in settling disputes.

The spokesman said China appreciated the assurances by U.S. President Bill Clinton that U.S. would be strengthening its relationship with China.

Qian also told Christopher that the U.S. and China should have more meetings to increase their understanding.

Problems existing between the two sides should be settled in the spirit of mutual respect and consultation he said.

According to the spokesman, Qian said China and the U.S. should not allow their differences [to] mar their relationship. Instead Qian proposed that the two countries should [word indistinct] the differences through consultation, he added.

According to the spokesman, Christopher assured China that it would abide [by] the agreements between U.S. and China on guidelines for their bilateral relationship.

The U.S. State Secretary also assured Qian that there would be a number of high level exchange of contacts soon to discuss issues of common interest, the spokesman added.

Apart from security matters, he said, the two leaders also discussed on economic issues, illegal immigrants and arms sales, adding that the meeting was held in an atmosphere of sincerity.

A spokesman for the U.S. Department of State, in a brief statement on the meeting, said Christopher welcomed the



opportunity to meet Qian since it was their first meeting. This gives an opportunity for the U.S. and China to deepen and improve this relationship, he said, admitting that they had some point of differences and that this meeting would enable them to deal with those differences.

The meeting, the statement said, would help Christopher to develop personal and official relationship with Qian.

The statement said the meeting touched on issues including regional security, trade, human rights and non-proliferation.

Christopher also had bilateral meeting with Russia's Andrey Kozyrev, to discuss similar matter.

#### **PRC Spokesman on Qian's Paracel Islands Remarks**

*OW2507093193 Tokyo KYODO in English 0917 GMT 25 Jul 93*

[Text] Singapore, July 25 KYODO—China has already built an airstrip on one of the disputed Paracel Islands in the South China Sea, a spokesman for Chinese Foreign Minister Qian Qichen said Sunday [25 July].

The spokesman, clarifying Qian's overnight remarks on the issue, said the airstrip has already been completed and said earlier news reports quoting an official book that it was still under construction were inaccurate. At a news conference Saturday, Qian called the issue "a matter of 1988" but it was not clear whether he meant the airfield was built that year.

"We would like to improve the transport situation there and therefore we had to build an airport and that has nothing to do with military bases and military preparations," he said.

Qian is in Singapore attending talks with other Asia-Pacific countries at an annual meeting of foreign ministers from the Association of Southeast Asian Nations (ASEAN), to which he was invited as a guest.

Analysts say having an air base on the Paracels, also claimed by Vietnam and the Philippines, would greatly reduce the flight distance to the Spratlys island chain in the South China Sea. The Spratlys are claimed in whole or part by China, Vietnam, Taiwan, the Philippines, Malaysia and Brunei.

Both island chains straddle strategic sea lanes and are believed to sit on rich oil and other mineral resources.

Qian attempted to allay concern among countries in the region that China would use force to assert its claim over the islands. He said China believes the dispute should be settled peacefully or else shelved in favor of joint development among the six claimants.

#### **Indonesia's Alatas Meets With PRC's Qian**

*BK2607110393 Jakarta ANTARA in English 0919 GMT 26 Jul 93*

[Text] Singapore, Jul 26 (OANA/ANTARA)—Foreign Minister Ali Alatas has said that Indonesia and the People's Republic of China (PRC) have not yet decided on their participation at the meeting of Asia Pacific Economic Cooperation (APEC) countries next November.

"PRC Foreign Minister Qian Qichen wants to know Indonesia's position about U.S. President Bill Clinton's invitation to an informal meeting of heads of APEC member states," Alatas said here on Sunday night. He added that Qian had told him that China had also not yet fixed its position on the meeting.

Alatas and Qian had a 30-minute meeting prior to joining the "working dinner" which was held for the first time by ASEAN.

Several ASEAN member countries have announced their participation at the informal meeting of APEC leaders while Malaysia has so far not given an indication of a change in its attitude refusing to attend the APEC meeting for fear that the forum would become a trade block.

PRC has so far not decided on participation at the Seattle meeting because Taiwan and Hong Kong have also been invited.

On Indonesia-PRC relations, Alatas said that there were no problems which marred the good relations between the two countries.

At the bilateral meeting between Ali Alatas and his Chinese counterpart, they discussed among other things the workshop on the South China Sea which was initiated by Indonesia. "China will send its experts to attend a similar workshop which will be held in Surabaya," Alatas said.

Alatas also met with Cambodian Foreign Minister Norodom Sirivut who attended the ASEAN ministerial meeting as a special guest of ASEAN.

Alatas went on to explain that many countries attending the "working dinner" welcomed the ASEAN Regional Forum (ARF) established by the Association of South-east Asian Nations.

"The response of countries outside the ASEAN which attended the working dinner, had all been favourable about the ARF," he said.

The ASEAN foreign ministers, seven dialogue partners, observers and other guests met at the "working dinner", the first ever held in the history of ASEAN, lasting for two hours.



The foreign ministers of ASEAN which groups Brunei Darussalam, the Philippines, Indonesia, Malaysia, Singapore, and Thailand, concluded their annual ministerial-level meeting (AMM) last Saturday and this week they will hold discussions with their seven dialogue partners, the U.S., Australia, Canada, Japan, New Zealand, South Korea, and the European Economic Community (EEC)

Apart from the ASEAN dialogue partners, also invited to the working dinner were Russia, China, Vietnam, Laos, and Papua New Guinea in their respective capacities.

### **Business Leaders Club Urges Support of EAEC**

*BK2707015493 Singapore BUSINESS TIMES in English 26 Jul 93 p 2*

[Text] SINGAPORE—A major ASEAN business club comprising some 150 listed and unlisted companies from the region yesterday called on the United States, Japan, Korea and Australia to declare support for the ASEAN-sponsored East Asian Economic Caucus (EAEC).

The ASEAN Institute also called on the US to unreservedly withdraw its objection to the EAEC. At the same time, it urged Australia to demonstrate its sincerity in wanting to be a part of Asia by coming out in clear support of the EAEC.

Australia was instrumental in the launch in 1989 of the Asia-Pacific Economic Cooperation (Apec) forum while the US has taken a sudden interest in Apec with a view to giving it a push through an informal conference of Apec leaders in Seattle in November.

"The US, which has opposed the EAEC and sought to influence the views of Japan and South Korea, two other countries invited to be part of the EAEC, should now unreservedly withdraw its objections," the institute said.

Turning to Australia, it said: "Open support for the EAEC will demonstrate Australia's sincerity."

"If it wants to benefit from the growth of countries in this region, then it should be open and supportive. Linking its future to the US and/or Asia is only likely to raise doubts about Australia's real intentions," the institute's executive director Ranjit Gill said.

The ASEAN Institute, or Institute of South-east Asian Business, is the first major regional non-governmental body to welcome the decision of the ASEAN foreign ministers to latch the EAEC onto the annual ASEAN Economic Ministerial (AEM) Meetings, as Malaysia wanted, while keeping it as a caucus within Apec, which Indonesia insisted upon.

The compromise bridged serious divergences on the issue between Jakarta and Kuala Lumpur and made it possible to get the EAEC going.

At a press conference on Saturday, the current ASEAN Standing Committee chairman, Singapore's Foreign Minister Wong Kan Seng, said: "We have agreed that the AEM would be the appropriate body to provide support and direction for the EAEC. As prospective members of the EAEC are also members of Apec, we agreed that the EAEC is a caucus within Apec.

"This effectively means that ASEAN has reached a consensus on the EAEC. The next step is consultation with other East Asian economies to seek their participation."

Malaysian Prime Minister Mahathir Mohamad mooted the EAEC as a forum for the booming North-east and South-east Asian economies to discuss common concerns. It was adopted in principle at the ASEAN Summit in Singapore last year.

Japan and South Korea, however, said they would support it only if there was an ASEAN consensus on how to get it going. The US is opposed to the EAEC while Australia is lukewarm to the idea. All of them are in the 15-member Apec whose other members include the ASEAN Six, New Zealand, Canada, China, Taiwan and Hongkong.

The ASEAN Institute was launched in 1991 and is currently headed by Aburizal Bakrie, the chairman of Indonesia's diversified group, Bakrie and Brothers.

As a club of chief executive officers and other senior executives of big companies in ASEAN, the institute has formed a network of ASEAN conglomerates to face the growing competition from other booming economies in the Asia-Pacific region as well as from the North American Free Trade Area (Nafta) and the single Europe.

### **Australia Welcomes ASEAN Consensus on EAEC**

*BK2707014293 Singapore BUSINESS TIMES in English 26 Jul 93 p 2*

[Text] SINGAPORE—Australia is pleased that ASEAN has reached a "significant measure of consensus" to accommodate the East Asian Economic Caucus (EAEC) within the Asia-Pacific Economic Cooperation (Apec) forum, said Australian Foreign Minister Gareth Evans.

"It is a consensus that acknowledges, reflects, embraces the primacy of Apec, and that's from our point of view a happy outcome," he said at a press conference here yesterday.

A compromise was hammered out by the six ASEAN foreign ministers at their just-concluded meeting when they agreed to link the EAEC to the ASEAN Economic Ministerial meetings and at the same time keep it as a caucus within the 15-member Apec forum.

Mr Evans, who is here for the Post-Ministerial Meeting, acknowledged that it remains to be seen how the linkage will evolve. "It is not yet absolutely clear that Japan, or



Korea for that matter, will necessarily choose to participate in this sort of framework," he added.

The two countries have been hesitant about joining the Malaysian-promoted EAEC because of Washington's objections to the EAEC. Under the Malaysian initiative, the United States, Canada, New Zealand and Australia would not be invited to join the EAEC.

Looking to the Apec meeting in Seattle in November, Mr Evans anticipates "quite substantive work" on a variety of issues that have been under consideration, such as an electronic data interchange and greater harmonisation of customs procedures.

#### **Evans: Need To Accommodate Concept**

*BK2707103693 Melbourne Radio Australia in English  
0803 GMT 27 Jul 93*

[From the "International Report" program]

[Text] The newly formed East Asia Economic Caucus [EAEC] has been generating much discussion in Singapore among members of the Association of South East Asian Nations, ASEAN, and its seven main trading partners. Malaysia, which pushed for the creation of the caucus is talking enthusiastically about its potential. But two of ASEAN's main partners, Australia and the United States, are treating the caucus as a minor part of the larger Asia-Pacific Group, APEC [Asia Pacific Economic Cooperation]. More from Graeme Dobell in Singapore.

[Begin recording] [Dobell] The ASEAN foreign ministers over the weekend finally succumbed to three years of pushing by Malaysia and agreed to create the East Asia Caucus, but the ASEAN compromise involved setting up the caucus within APEC. Malaysia is virtually ignoring the APEC part of the compromise and selling the caucus as a political triumph of Prime Minister Mahathir. The next step is to sound out the other members of the caucus headed by Japan. Malaysia has always seen Tokyo as the head of its proposed caucus—one reason the U.S. is being so hostile to what it sees as the first step towards the Japanese trade bloc. Japan has responded cautiously, saying it's premature to discuss whether Tokyo will join the caucus and more work will have to be done on what the new group will actually do. It's a line echoed by Australia's Foreign Minister Gareth Evans, who sees the caucus meeting Malaysia's political needs more than anything else.

[Evans] It's just been evident for some time within ASEAN a political imperative is to somehow accommodate the EAEC concept, but I still don't discern any sense in ASEAN or really anywhere else that there's a policy imperative about EAEC.

[Dobell] Senator Evans says the East Asia Caucus is one aspect of competing views about how the region should work and he's had a private meeting with the Malaysian foreign minister to discuss those approaches. Senator

Evans says there is still a long way to go before there is any definition of what the East Asia Caucus will be.

[Evans] How and when it should meet, what it should do when it does meet, and what precisely the nature of the interrelationship would be with APEC. Will this give added force to the point I just made, that there's no really clear, certainly no agreed policy imperative about all this? It should be seen as a product or a political position being like that and needing to be somehow accommodated and in that environment I think it is important that we in Australia and elsewhere simply not get too excited about the whole EAEC thing. The main game is APEC. I think there's an overwhelming perception not among the ASEAN but all the other countries in the region—Korea, Japan, certainly across the other side of the Pacific—now that APEC is the main game. [end recording]

#### **Japan's Muto Arrives for Postministerial Talks**

*OW2507091793 Tokyo KYODO in English 0854 GMT  
25 Jul 93*

[Text] Singapore, July 25 KYODO—Japanese Foreign Minister Kabun Muto arrived in Singapore on Sunday [25 July] to attend an annual ministerial meeting between the Association of Southeast Asian Nations (ASEAN) and its major trading partners.

The three-day meeting opening Monday will bring together foreign ministers of ASEAN and its seven dialogue partners. The partners are Australia, Canada, the European Community (EC), Japan, New Zealand, South Korea and the United States.

Muto is also scheduled to have bilateral meetings with some of the other foreign ministers, including U.S. Secretary of State Warren Christopher. ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

#### **Annual Postministerial Conference Opens 26 Jul**

*BK2607042893 Kuala Lumpur BERNAMA in English  
0355 GMT 26 Jul 93*

[From Azhar Ghazali]

[Text] Singapore, July 26 (OANA/BERNAMA)—ASEAN Monday, opened discussions with its dialogue partners at their annual Post Ministerial Conference (PMC) here which will emphasize a new focus on regional security.

The foreign ministers, having concluded their 26th ASEAN Ministerial Meeting (AMM) two days ago, will also discuss with Australia, Canada, the European Community (EC), Japan, New Zealand, South Korea and the United States the traditional subjects of economic cooperation and trade.

With the end of the cold war, regional security has assumed renewed importance. Discussions will, for the



first time, be front and centre at the July PMC in Singapore, according to a special bulletin issued by the Singapore-based Canada-ASEAN centre prior to the PMC.

Putting talks of regional security on the right track, ASEAN ministers and their seven dialogue partners and five other countries—China, Russia, Vietnam, Laos and Papua New Guinea—attended a landmark diplomatic dinner last night which witnessed the launching of an ASEAN Regional Forum (ARF), grouping all the 18 countries.

This was the first time that the major players in the Asia Pacific region have the opportunity to discuss such (security) issues collectively, said Singapore Foreign Minister and Chairman of the 26th AMM Wong Kan Seng after the dinner.

The ARF, agreed at the AMM, would serve as a consultative body to discuss security issues.

Focus at the three-day PMC will also be directed on the East Asia Economic Caucus (EAEC), a Malaysian-mooted idea that received consensus at the AMM.

With Chinese Vice Premier Qian Qichen, a guest of ASEAN at the AMM, already declaring support, all eyes will be on Japan and South Korea—two economic forces in the region—and the United States, which had shown opposition to the caucus.

Japan had stated that it would only decide on it after the six-member ASEAN arrived at a consensus on the consultative forum, which is aimed at promoting free trade.

### **Relationship Among Equals Stressed**

*BK2707030993 Bangkok BANGKOK POST in English  
27 Jul 93 p 6*

[Excerpts] Singapore—The Association of Southeast Asian Nations yesterday stressed the importance of developing a relationship among equals between ASEAN and its seven dialogue partners for peace, stability and economic growth in the region and the larger Asia-Pacific.

Speaking at the opening of the ASEAN Post-Ministerial Conference [PMC] yesterday, Singaporean Foreign Minister Wong Kan Seng, as chairman of the ASEAN Standing Committee, called for a "true partnership" between ASEAN and its dialogue partners. ASEAN's seven dialogue partners include the European Community, the United States, Australia, New Zealand, Japan, South Korea and Canada.

Referring to the changing political and economic realities of the post-Cold War period, Mr Wong said there was a need for fundamental changes in the relationship between ASEAN and its dialogue partners. He noted some had already begun.

"We should be developing a relationship among equals—a true partnership. It should be a partnership

that does not only focus on shorter term and narrow issues of functional cooperation and development assistance. It should be a mature relationship that is also aimed at developing frameworks and processes for dialogue and consultation. These will provide avenues for promoting areas of common interest and when necessary, avenues for resolving difficulties and differences," he said.

"It should be a forward-looking partnership that seeks to strengthen conditions for peace and stability and economic growth not only in Southeast Asia, but also in the larger Asia-Pacific," he said. He said the Asia-Pacific Economic Cooperation (APEC) was one such process. Mr Wong also stressed that the economic question was no longer simply aid and assistance from dialogue partners, but trade, market access and investment for the NIEs [newly industrialized economies] and the emerging NIEs.

Also at the opening of the ASEAN-PMC, Japanese foreign minister Kabun Muto said Japan intended to take active part in the political and security dialogues at the ASEAN-PMC and its senior officials' meeting. He said Japan would play a positive role by strengthening its cooperative relations with the ASEAN countries and others in the region.

He said mutual reassurance was important because of the feeling of uncertainty and apprehension over the future of the region, and "vague doubts and fears" over whether the US will maintain its presence in the region, what role Japan will play, among others. [passage omitted citing U.S. Secretary of State Christopher's remarks]

Australian Foreign Minister Senator Gareth Evans said that no single government could contain let alone resolve, the enormous range of security-related problems facing the region today. He said the only approach would be based on a cooperative, multilateral basis. Mr Evans noted also that the habits of cooperative security were already strongly evident in Asia-Pacific and were gradually becoming more systematically organised.

Australia welcomed ASEAN's further consideration to developing the Treaty of Amity and Cooperation into a vehicle for enhancing regional security, by provision being made for other countries to either accede to it or in some other way embrace its principles.

Canadian Secretary of State for External Affairs Perrin Beatty said the world increasingly expected not only economic leadership from ASEAN, but political and social leadership as well. He said regional and cultural variations simply cannot be used as a blind behind which a regime can justify torture, summary executions and the systematic disrespect of the rule of law.

The secretary noted the similarity in the views on human rights between Canada and the joint communique released at the ASEAN Ministerial Meeting on July 24.



He also called for Burma's State Law and Order Restoration Council (SLORC) to restore democracy, release of Burmese dissident leader Aung San Suu Kyi and all political prisoners, and to face up to the reality of change.

South Korean Foreign Minister Dr Han Sung-chu said his government has adopted regional cooperation as one of the most important themes of its international relations. He said the most important characteristic in the international environment on the eve of what might be called the Pacific Era was interdependence among nations, which he said was a completely new phenomenon enabling them to construct a new world order rather than merely adapt to it.

Dr Han said South Korea welcomed the initiatives of ASEAN in promoting multilateral security dialogue and pledged his country's intention to actively participate in the process.

He also said that "given the specific security equation, the Northeast Asian region could also consider a long-term cooperation, which will promote, among others confidence-building, arms control and dispute settlement."

Hans van den Broek, a member of the EC Commission, said many factors contributed to ensuring peace and stability. Sustainable economic growth was clearly one. Good government and respect for human rights were others.

#### **Japan Expresses New EAEC Stance**

*BK2607070693 Kuala Lumpur BERNAMA in English  
0638 GMT 26 Jul 93*

[From Michael Raj]

[Text] Singapore, July 26 (OANA/BERNAMA)—Japan, in a shift from its earlier stance, Monday voiced a keenness to discuss with ASEAN countries concrete ways to proceed with the East Asian Economic Caucus (EAEC).

The new stance was stated by its Foreign Minister Kabun Muto when he addressed the 26th ASEAN post Ministerial Conference (PMC) here.

Japan had been non-committal to the EAEC earlier, saying it would only decide after the ASEAN countries reached consensus on the caucus.

U.S. Secretary of State Warren Christopher did not make any reference to the EAEC in his address at the PMC.

ASEAN achieved a major breakthrough when the six-member grouping arrived at a consensus for the EAEC to operate through the ASEAN economic ministers (AEM) meeting during the ASEAN Ministerial Meeting which ended here on Saturday.

Speaking at the start of the PMC, Muto also said that Japan would cooperate closely with ASEAN countries to develop the Asia-Pacific region.

He also called for a positive contribution by ASEAN at the multilateral negotiations at Geneva to find a successful conclusion to the deadlocked Uruguay Round.

He cautioned that moves towards regional economic integration should not be exclusive in nature as they would constitute a serious obstacle to economic development both for the region and the world.

South Korea's Foreign Affairs Minister Dr. Han Sung-chu, in his address, said the cornerstone of the General Agreement on Tariffs and Trade (GATT), namely, non-discrimination, could be kept alive only by globalism.

And the cornerstone of the Pacific era, namely, interdependence, can best be enhanced by open regionalism, he added.

New Zealand's Foreign Minister Don McKinnon said that the market access package reached by the Group of 7 (G-7) summit in Tokyo gave the green light to resume negotiations on agriculture and other sectors in Geneva.

New Zealand remained determined to see firm multilateral disciplines on agricultural trade, he said, adding if there is no settlement in agriculture, there will be no settlement at all.

The member of the commission of the European Community Hans Van Den Broek said the accord set the stage for the completion of the Uruguay Round, provided that all participants to the round were prepared to make their contribution.

Canadian Secretary of State for External Affairs Perrin Beatty said he would sign a revised Canada-ASEAN Economic Cooperation Agreement to underline his country's commitment to the region's prosperity.

This new agreement will be the basis for our economic and commercial relations and highlights the commitment of Canada and the ASEAN nations to a more active role for our respective private sectors as we forge even stronger links across the Pacific, he added.

#### **ASEAN Consensus on EAEC Viewed**

*BK2607072493 Kuala Lumpur Voice of Malaysia in English 0600 GMT 26 Jul 93*

[Text] Washington should no longer have any objections to the East Asia Economic Caucus, EAEC, following ASEAN's consensus on its operational aspect. Foreign Minister Datuk Abdullah Ahmad Badawi noted that the U.S. has so far waited to see if ASEAN would arrive at a consensus on the EAEC. He said now the U.S. should have no further objections.



Speaking to reporters in Singapore, Datuk Abdullah said ASEAN's agreement would be conveyed to U.S. Secretary of State Warren Christopher. The consensus would also be conveyed to Japan and South Korea.

Datuk Abdullah said ASEAN's dialogue partners should be aware that the grouping's consensus on the EAEC was reached after taking into consideration the interest of ASEAN and its individual members.

#### EAEC Not 'Closed Trading Bloc'

*BK2707052093 Kuala Lumpur BERNAMA in English  
0319 GMT 27 Jul 93*

[Text] Singapore, July 27 (OANA/BERNAMA)—ASEAN's consensus on the East Asia Economic Caucus (EAEC) has finally convinced doubtful regional economies to reverse their stand on the potentially influential consultative forum, diplomats said.

More countries have indicated further support for the caucus with the next step being their participation to set off what could prove to be a badly-needed catalyst for a liberal global trading environment.

Malaysian Foreign Minister Abdullah Ahmad Badawi said South Korea, China and Japan have been positive towards the EAEC, a major shift in stance, especially since many had reservations about it previously.

South Korea is glad the caucus having had the consensus of the ASEAN six, is developing in the right manner, he said when briefing Malaysian journalists after bilateral talks with South Korea at the Post Ministerial Conference (PMC) here Monday.

They are now hoping and ready for more constructive and concrete discussions on the caucus with ASEAN so that it can pave the way for South Korea to participate in the EAEC, he added.

Singapore Prime Minister Goh Chok Tong came out with the strongest statement on the EAEC since the consensus when he called on Japan and South Korea to join the caucus now that there was an ASEAN consensus on it.

The EAEC would not be a closed trading bloc and it would be GATT-consistent, he said.

If the North American Free Trade Area (NAFTA) and the single European market were acceptable, so could the EAEC, he said when the ASEAN dialogue partners called on him at the Istana [State palace] here.

A statement, in explaining the EAEC, said it would help its members reach collective positions on trade and investment for discussions with Europe and North America.

Abdullah said that most of the countries were understandably curious how the EAEC would operate. While it

would be done through the ASEAN Economic Ministers (AEM), a lot depended on the caucus's eventual members.

At this juncture, he said, once East Asian economies, including Hong Kong and Taiwan, joined up, they could decide on its agenda, taking into account regional needs.

He added: It is not logical for us to determine everything on the EAEC now as the AEM has yet to meet and, therefore, it needs time to get off the ground.

But one thing for sure, the EAEC would be firm to the principles of free trade under the multilateral trading system. We also do not aspire to confront any country or any group representing other countries nor are we conspiring against any other countries.

He said, however, EAEC would resist moves by any party to impede a free and open multilateral trading system or to set up a trading bloc.

EAEC is consistent with the principles of free trade under the General Agreement on Tariffs and Trade (GATT) and is even consistent with the Asia-Pacific Economic (APEC) forum, he added.

Abdullah also lauded the positive response to EAEC from Japan which had indicated a keenness to discuss things further.

Asked whether Japan would be joining EAEC at a briefing by the Japanese delegation, a spokesman said it preferred to stay on the sidelines for now as it was still premature to do so.

Indonesian Foreign Minister Ali Alatas said he explained the EAEC's operational modality to U.S. Secretary of State Warren Christopher in the hope the latter would get a better picture and dispel any misconception the U.S. might have about the EAEC.

He also told Christopher that the ASEAN consensus on EAEC reflected the grouping's economic cooperation but he conceded we cannot rush a decision from the U.S. since the ASEAN consensus was only reached two days ago.

Canada's Deputy Minister for the Asia-Pacific Howard Balloch, in welcoming the ASEAN consensus, said that his country was not against the EAEC so long as ASEAN believes the caucus is useful for them.

Chinese Vice-Premier Qian Qichen, who left for home Monday after attending the ASEAN Ministerial Meeting which preceded the PMC, declared China's support for the EAEC which was aimed at promoting free trade.



### Tokyo Vows Active Security Role

OW2607055393 Tokyo KYODO in English 0501 GMT  
26 Jul 93

[Text] Singapore, July 26 KYODO—Japan pledged Monday [26 July] to play an "active" role in the burgeoning political and security dialogue among countries in the Asia-Pacific region. It also welcomed last week's agreement by the Association of Southeast Asian Nations (ASEAN) on a proposal to form an East Asia Economic Caucus (EAEC), but stopped short of offering to join the controversial new grouping.

Addressing a meeting of foreign ministers from ASEAN and its major trading partners, Japanese Foreign Minister Kabun Muto also announced another contribution of 15 million dollars to a United Nations program to repatriate Indochinese refugees.

Muto said Asia-Pacific nations need a political and security dialogue to clear "vague doubts and fears...on the role Japan is trying to play and on the future balance of military power in this region" as well as on the waning U.S. military presence.

He also singled out North Korea's suspected development of nuclear weapons as "a grave concern" to regional security and urged Asia-Pacific countries to "show a determined attitude toward North Korea."

These countries can promote a security dialogue using the annual gathering of ASEAN and its partners, an idea originally broached by Tokyo two years ago, he said.

Japan intends to play an active part in the political and security dialogue through this sole region-wide forum for the purpose, Muto said.

Enhancing mutual reassurance through dialogue is important "because feelings of uncertainty and apprehension over the future exist in the Asia-Pacific region," he said. "I believe it is necessary for the future of the Asia-Pacific region to exchange views frankly on such feelings and on the policies of each country so that the transparency and predictability of policy are enhanced, which in turn would deepen the sense of reassurance among friendly countries."

Muto also told his colleagues attending the three-day conference that maintaining and developing good, stable ties between Japan and China is "immensely important" for regional peace and stability. He assured them that Japan "will strive for peace and stability of this region through its dialogue with China."

Turning to another issue, Muto said, "Japan welcomes the agreement by the ASEAN countries at the recent ASEAN ministerial meeting that the East Asia Economic Caucus (EAEC) is a caucus within APEC [Asia-Pacific Economic Cooperation]." This was a reversal of Japan's previously negative attitude toward the concept, which in the past has been opposed by Washington as a potentially protectionist trade bloc.

"Japan would like to discuss with the ASEAN countries the concrete way to proceed with regard to the EAEC," Muto added.

Muto said that such moves toward regional economic integration "can be expected to revitalize the region's economy and contribute to world economic growth, if they are open in nature." But moves to exclude outsiders "will constitute a serious obstacle to economic development both for the region and the world," he said. "Thus the latter case must be avoided."

Muto said that besides the new contribution of 15 million dollars to the U.N. High Commissioner for Refugees (UNHCR), Japan plans to host a preparatory meeting around November or December for the proposed establishment of a "forum for comprehensive development of Indochina."

He also said Japan has set a target of increasing official development assistance to between 70 billion dollars and 75 billion dollars between 1993 and 1997.

### Singaporean Minister Speaks

BK2607141493 Singapore Singapore Broadcasting Corporation in English 1100 GMT 26 Jul 93

[Text] Singapore Foreign Minister Wong Kan Seng says that the relationship between ASEAN and its dialogue partners should be based on equality. It will open avenues for promoting areas of common interest and resolving disputes. Mr. Wong was delivering his opening statement at the ASEAN postministerial conference. Mr. Wong, who is also chairman of the ASEAN Standing Committee, said ASEAN [words indistinct] in the Asia-Pacific. This of course would strengthen peace and stability and economic growth in Southeast Asia and the Asia-Pacific. Mr. Wong also noted that the threat of nuclear proliferation still remains. It is in the common interest and the responsibility of all to prevent the threat of nuclear weapons.

### Weapons Proliferation Discussed

BK2707031993 Bangkok BANGKOK POST in English  
27 Jul 93 p 1

[Text] Singapore—The proliferation of weapons of mass destruction, including chemical weapons, is of serious concern to major security dialogue partners of the Association of Southeast Asian Nations which began their annual talks yesterday.

During the opening session of the ASEAN-PMC [post-ministerial conference] yesterday, South Korean Foreign Minister Dr Han Sung-chu called the proliferation of weapons of mass destruction the "most alarming issue" in the post-Cold War period.

US Secretary of State Warren Christopher said the need for strong international efforts to combat the spread of weapons of mass destruction and their means of delivery, was at the top of the US security agenda.



Singaporean Foreign Minister Wong Kan Seng said nuclear proliferation remained "a real threat" to global security amid changes in the post-Cold War period.

The South Korean minister said he could not help but raise the North Korean nuclear question, saying it was a problem not only for the Korean people but also the region and the world as a whole.

Dr Han said the ultimate solution could only come with North Korea's joining in the international trends of reconciliation and cooperation. So far peaceful measures to resolve the issue, in close cooperation with the International Atomic Energy Agency (IAEA) and the United Nations Security Council (UNSC), only succeeded to keep Pyongyang in the Non-Proliferation Treaty (NPT), and to have it agree to enter negotiations with the IAEA to implement full safeguard requirements.

"North Korea must meet its nuclear safeguard requirements and cooperate in removing suspicion surrounding its nuclear programme," Dr Han said.

Mr Christopher said the US was committed to tough and effective global rules to halt the spread of nuclear weapons. The US is also committed to see a non-nuclear Korean peninsula. He said a second major challenge was the proliferation of chemical and biological weapons of mass destruction and the missiles that could deliver them.

"This is a growing problem for Asia because economic and technological development means the region can now produce chemicals, sophisticated electronics, and other products and services that the proliferators want, but are now denied in Europe and the US. Asia is at the stage when its participation in international agreements and establishment of export control regimes are most important," he said.

Mr Christopher said the US looked forward to working closely with ASEAN on the issue.

Japanese Foreign Minister Kabun Muto said Japan and the ASEAN-PMC must also strive to increase the number of signatories to the Chemical Weapons Convention and to ensure the convention's early entry into force. Mr Muto said the effectiveness of the UN Register of Conventional Arms needs to be ensured as an important step towards improving the transparency of and creating restraint in the transfer of conventional weapons.

#### **Wider Cambodian Conference Proposed**

*BK2607145893 Singapore Singapore Broadcasting Corporation in English 1400 GMT 26 Jul 93*

[Text] A wider international conference on Cambodia has been proposed by ASEAN. The new proposal will involve Prince Sihanouk, the Cambodian parties, Vietnam, and ASEAN. The proposal endorsed at the ASEAN ministerial meeting has been supported by its

seven dialogue partners. It was agreed that the involvement of other parties in the post-UNTAC [United Nations Transitional Authority in Cambodia] political framework will help prevent the unravelling of the election achievements and it will help (?bring about) stability in post-election Cambodia. Cambodia was among the topics discussed at the two-hour-long closed-door session today.

On the South China Sea, the United States has warned that it will view most seriously any resort to the use of force. U.S. Secretary of State Mr. Warren Christopher says that any resort to the use of force would compromise the security of important international sea lanes.

The ASEAN foreign ministers and dialogue partners agreed that bilateral efforts to resolve the dispute should continue. Countries not directly (?part of) the dispute should also be involved.

#### **Thai Minister on U.S. Stand on KR**

*BK2707025593 Bangkok BANGKOK POST in English 27 Jul 93 p 6*

[Text] Singapore—Foreign Minister Prasong Sunsiri yesterday expressed appreciation over the softening of Washington's stand against the Khmer Rouge [KR].

The US said on Sunday it would accept Khmer Rouge participation in the future Cambodian government and would not stand in the way of financial assistance, but under certain conditions.

The conditions include the Khmer Rouge's acceptance of the 1990 Paris Peace Agreement and an assurance that the group would not have direct access to foreign aid.

"I think it's a good sign that the US does not totally close the door on the Khmer Rouge," Sqdn Ldr [Squadron Leader] Prasong told reporters after a 15-minute bilateral talk with the US Secretary of State Warren Christopher yesterday. He said he had informed Mr Christopher that he would ask Prime Minister Chuan Likphai to attend the summit on Asia-Pacific Economic Cooperation in Seattle in November.

ASEAN's previous concern was that the APEC summit might lead to the broadening of issues to include both political and security matters. ASEAN countries could not arrive on a consensus whether to attend the summit, but they finally agreed that the decision to attend the meet should depend on the judgment of individual countries.

#### **Aid Pledged To Rebuild Cambodia**

*BK2607091793 Kuala Lumpur BERNAMA in English 0833 GMT 26 Jul 93*

[Text] Singapore, July 26 (OANA-BERNAMA)—ASEAN Monday received assurances from its dialogue partners of assistance to rebuild war-torn Cambodia;



Washington, which came under criticism just a week ago for threatening to refuse all aid to Cambodia if the Khmer Rouge took part in the new government, appeared to have softened its stand when it too gave its commitment.

The United States will continue to work with you and others to provide the Cambodian people a brighter future, said U.S. Secretary of State Warren Christopher at the start of the ASEAN-post ministerial conference (PMC) at the Raffles City Conference Centre here.

Australia, Canada, the European Community (EC), Japan, New Zealand, and South Korea also attended the meeting otherwise known as the six-plus-seven session, chaired by Singapore Foreign Minister Wong Kan Seng.

Japanese Foreign Minister Kabun Muto said Tokyo would attempt to assemble all international efforts to assist in the effective and efficient reconstruction of Cambodia.

In the context of the entire development of Indochina, he said Japan was planning to host a preparatory meeting—the forum for comprehensive development of Indochina—either in November or December.

President of the EC Council of Ministers Willy Claes called for international assistance for the Cambodian people and the new government.

Claes, who is Belgium deputy prime minister and foreign affairs minister, said: The EC will for its part and to the best of its ability continue to aid Cambodia in its reconstruction and rehabilitation after the United Nations Transitional Authority in Cambodia (UNTAC) mandate expires.

With the UNTAC mandate expiring next month, ASEAN had urged the international community safeguard Cambodia's hard-won peace by helping to rebuild its shattered infrastructure and political, social, and economic institutions to prevent a return to civil war.

The 16,000 peacekeepers in Cambodia are scheduled to withdraw in phases between Aug. 1 and Nov. 15.

South Korean Foreign Minister Dr. Han Sung-chu said Cambodia's integration into the regional political and economic order along with its progress in domestic stability would contribute to regional peace and prosperity.

#### **ROK's Minister, Christopher Meet**

*SK2607142893 Seoul YONHAP in English 1405 GMT 26 Jul 93*

[Text] Singapore, July 26 (YONHAP)—South Korea and the United States reaffirmed Monday that the third round U.S.-North Korea high-level talks would hardly be available unless North Korea resumed its talks with the International Atomic Energy Agency [IAEA] over its acceptance of international nuclear inspections.

South Korean Foreign Minister Han Sung-chu, now here to attend the Association of Southeast Asian Countries (ASEAN) post-ministerial conference, met U.S. State Secretary Warren Christopher and discussed Korea-U.S. concerted efforts to get solved the North Korean nuclear issue.

They also confirmed that North Korea would inevitably face U.N. Security Council sanctions should it fail to fulfill obligations set forth by the nuclear safeguards accord through negotiations with the IAEA within two months.

The two foreign ministers agreed that their countries hold a senior working-level meeting soon to coordinate their strategies toward North Korea.

#### **Maintaining Regional Peace Discussed**

*BK2707100893 Kuala Lumpur BERNAMA in English 0900 GMT 27 Jul 93*

[Text] Singapore, July 27 (OANA-BERNAMA)—The maintenance of peace and the achievement of prosperity in Indochina are areas in which Japan and ASEAN need to strengthen cooperation.

Japanese Foreign Minister Kabun Muto said Tuesday the political situation in Cambodia was moving towards stability after the success of the United Nations-supervised elections in May.

Speaking at the ASEAN-Japan dialogue session here, Muto said the conditions were being set for the full rehabilitation and reconstruction of Cambodia.

As chaircountry [as received] of the International Committee on the Reconstruction of Cambodia (ICORC), Japan would host the first meeting of the committee at the end of August to bolster international efforts on reconstruction assistance, he added.

He said Japan considered it important to utilise the knowledge and experience of the ASEAN countries whose economic and social condition were similar to those in Cambodia.

That was why Japan was proceeding with the so-called Japan-ASEAN tripartite cooperation project in which Japanese and ASEAN technicians extended technical cooperation which would facilitate the resettlement of displaced Cambodians who returned home.

He added that a regional perspective unrestricted by national borders was necessary to formulate a development strategy because countries in Indochina were strongly independent for historic and geographic reasons.

Muto said Japan was making various preparations to host a preparatory meeting in November or December to discuss the modalities of the forum for the comprehensive development of Indochina and looked forward to active ASEAN participation.



Singapore Foreign Minister Wong Kan Seng said ASEAN welcomed Japan's intention to become more engaged and to develop closer political and economic ties with countries in the region in order to ensure peace, stability, and prosperity.

ASEAN and Japan were responding to the new challenges precipitated mainly by the end of the cold war and the reluctant changes in the regional and global political and strategic environment, he added.

Wong said in this period of uncertainty, there was a need for greater cooperation between ASEAN and Japan to

continue to strengthen their growing linkages for the mutual benefit of the two regions.

As a major economy, Japan should play an active role with other countries to advance the interests of the region, he added.

He said the introduction of political and security issues on the agenda of the 13th ASEAN-Japan forum held in Tokyo in February this year was most timely.

The security dialogue opened a window of opportunity for ASEAN and Japan to work with other Asia-Pacific countries to enhance conditions for economic growth and development, he added.



## Japan

### Gotoda 'Not' To Seek LDP Presidency

OW2507050993 Tokyo KYODO in English 0453 GMT  
25 Jul 93

[Text] Tokyo, July 25 KYODO—Deputy Prime Minister Masaharu Gotoda said Sunday [25 July] he will not run in an election for the presidency of the Liberal Democratic Party (LDP).

Gotoda told reporters on leaving Tokyo's Mitsui Memorial Hospital after a weeklong stay for treatment for diabetes that "there is not even a 1 percent" chance of him running in the race.

Gotoda, 78, who is also the justice minister, has been tipped as one of the likely candidates to succeed Prime Minister Kiichi Miyazawa, who announced his resignation as party president on Thursday.

In the past, the LDP president has become prime minister due to its majority in the House of Representatives, but the party is still unsure of being able to form the next administration after failing to win a majority in the lower house in a general election held on July 18.

The LDP presidential poll by the party's Diet members and prefectural representatives will be held next Friday. Former Deputy Prime Minister and Foreign Minister Michio Watanabe has expressed his interest in running for the post.

Calls for Gotoda to run have reportedly been mounting within the party, especially from younger members, because he is an advocate of political reform.

He is also believed to be able to attract support from two new conservative parties, the Japan New Party [JNP] and Sakigake (Harbinger), which are regarded as having the swing vote in the Diet when it selects the next prime minister in a special session next month.

Gotoda cited old age as a reason for declining calls to run in the race. He said people have a "wrong sense of time" to push someone as old as him for the post. "In times of change, it is necessary to have someone who has the physical strength and energy suitable to cope with such times," he said, adding that a change of generation is necessary.

Older people should concentrate on cooperating with those who are tackling reform and the change of generation, he said.

He also criticized the argument that his candidacy would win the support of the JNP and Sakigake, saying choosing the party president should not be done by such tactics.

Gotoda was rushed to hospital by ambulance on July 8 after complaining of dizziness following an imperial banquet hosted by Emperor Akihito for the Group of

Seven summit leaders. He was transferred the next day to the Mitsui Memorial Hospital.

He left the hospital on July 16, but was readmitted on the day of the election for treatment for diabetes.

### LDP Plans Diet Session To Elect Premier

OW2607132693 Tokyo KYODO in English 1309 GMT  
26 Jul 93

[Text] Tokyo, July 26 KYODO—The government and the long-ruling Liberal Democratic Party (LDP) plan to convene a special Diet session to elect a new prime minister on August 6 at the earliest, four days later than initially planned, senior LDP officials said Monday [26 July]. The plan reflects the LDP's need of more time to try and entice two new conservative parties back onto its side, the officials said.

Prior to the opening of the Diet session, the LDP has to clear two main hurdles—approving a proposal for electoral changes and selecting the next party president. The LDP presidency has hitherto automatically brought with it the prime ministership, but will not do so this time as the party failed to win a majority in the House of Representatives in the July 18 general election.

The officials also said the delayed opening of the Diet session is a result of the LDP's stalled talks with non-LDP forces about the elections of lower house speaker and president of the less powerful House of Councillors.

The government and the LDP are considering convening a Diet session on August 6 and holding an election for prime minister in the early part of the week beginning August 8, the officials said. Shortly after the general election, the LDP planned to convene a special 11-day Diet session on August 2 and hold a prime ministerial election on August 11.

### JNP, Sakigake Fuel Momentum Toward Coalition

OW2307144793 Tokyo KYODO in English 1433 GMT  
23 Jul 93

[Text] Tokyo, July 23 KYODO—Two key new conservative parties added momentum Friday [23 July] to a growing political current in forming a coalition government to force the Liberal Democratic Party (LDP) from power.

Morihiro Hosokawa, leader of the Japan New Party (JNP), and Masayoshi Takemura, leader of Sakigake (Harbinger), told a joint news conference they would back a campaign by five noncommunist opposition parties to wrest power from the LDP if the five agree to live up to a few conditions put up by the two.

The conditions include legislation to create an electoral system combining small constituencies and proportional representation, tougher penalties for political fund law violations and a ban on contributions to political parties from companies and groups.



Hosokawa read out a prepared statement detailing the conditions, which he said have to be officially adopted "as a policy platform" by any party which wants to link up with the JNP and Sakigake.

Takemura told reporters at a Tokyo hotel, "now that we have put forward concrete proposals for political reforms, we will take a flexible stance on the issue of whether we would send our members into the cabinet of the non-LDP coalition or not."

Earlier, the two parties pledged to follow a "third path," a phrase that implied that they would avoid joining either an LDP-led coalition or a non-LDP coalition government.

Hosokawa pledged to step up efforts to establish "a government determined to implement political reform." He said he would place priority on legislating political reform measures "by the end of this year" and would demand that other parties agree on this timetable if they want his party to join a coalition.

Political analysts said, however, the conditions put up by the two parties amounted to their bidding farewell to an LDP-led coalition plan, as the terms include support for a specific version of an electoral system earlier rejected by the LDP.

The proposed electoral system for the House of Representatives would combine 250 single-seat electoral districts and another 250 seats under a proportional representation system.

In the regular Diet session that ended on June 18, the LDP failed to strike a compromise with the opposition camp on electoral reform under the bondage of its "unified party decision" that ruled out any electoral plans except for a simple single-seat constituency system.

The single-seat constituency system calls for replacing the current multiseat electoral districts with 500 single-seat constituencies. Under the current system, where each constituency has three to five seats, LDP candidates must run against one another as well as opposition candidates in the same constituency. This is regarded as a major culprit of dirty money politics and factionalism.

Aides to Hosokawa quoted their leader as saying, "I inserted some mechanisms into the conditions, which the Liberal Democratic Party would find hard to accept."

The two new conservative parties, with a combined parliamentary strength of 49, are considered to have the swing vote within the Diet when it selects the next prime minister in a special session to be convened in August. The LDP has 228 seats, 28 seats short of a simple majority in the 511-member lower chamber.

The combined strength of the five anti-LDP forces stands at 195 seats. The five are the Social Democratic

Party (SDP), Shinseito, Komeito, the Democratic Socialist Party (DSP) and the United Social Democratic Party (USDP).

Shinseito leader Tsutomu Hata told reporters, "I believe their (the JNP and Sakigake) proposals for political reform are appropriate. Our ideas are not totally different from their's," he said.

SDP Chairman Sadao Yamahana told reporters he regards the two leaders' remarks as "indicating their decision to set up a new government to replace the LDP-dominated government."

Komeito Secretary General Yuichi Ichikawa said, "We share the basic perceptions and direction in our policies (with the JNP and Sakigake)."

USDP leader Satsuki Eda said, "there is a sufficient possibility that we can reach an agreement with them."

Masaya Ito, a political commentator and former aide to ex-Prime Minister Masayoshi Ohira, said, "Hosokawa finally decided to join the non-LDP coalition, as he came to fear alienating voters who cast their ballots to the JNP due to his repeated vows to end the LDP's 38-year hold on power. Hosokawa made up his mind after facing a slew of criticism from voters who saw him vacillating on an invitation to join the LDP-dominated government," said Ito.

Meanwhile, the LDP decided Friday to hold a vote next Friday [30 July] to select a new president to replace Prime Minister Kiichi Miyazawa.

Former Foreign Minister Michio Watanabe reiterated his ambition to run for the post of LDP president, saying "whatever a situation it may be, I will run."

Watanabe also expressed readiness to accept proposals for political reform put up by the JNP and Sakigake if he were elected to the post of LDP president. "Their proposals are a landmark. They are realistic ideas and I would endorse forming a national grand alliance (with the two parties) if our policies coincided with each other," he said.

An 11-member LDP group, headed by former Farm Minister Mutsuki Kato, decided to urge former Prime Minister Toshiki Kaifu to run in the party's presidential election, party sources said. Kaifu, dubbed "Mr. Clean," is popular among junior party members who hope to cleanse the party's image in the eyes of voters.

The LDP's largest faction, a 73-member group led by LDP policy affairs research council Chairman Hiroshi Mitsuzuka, is cautious about its leader seeking the party presidency, faction sources said.



### **Non-LDP Alliance Okays JNP-Sakigake Plan**

*OW2607170293 Tokyo KYODO in English 1627 GMT  
26 Jul 93*

[Text] Tokyo, July 27 KYODO—An alliance of five opposition parties on Monday [26 July] accepted a political reform plan pushed by two new conservative parties in a bid to secure a working parliamentary majority to oust the Liberal Democratic Party (LDP) from power, opposition sources said. But one of the two parties, LDP breakaway Sakigake (Harbinger), showed signs Monday of wavering from the opposition coalition plans in favor of the LDP.

The Social Democratic Party (SDP), Shinseito (Japan Renewal Party), Komeito [Clean Government Party], the Democratic Socialist Party (DSP) and United Social Democratic Party (USDP) made the decision on the reform plan Monday night at a meeting of their Diet Affairs Committee chairmen, officials of the parties said.

The plan centers on a proposed electoral system combining 250 single-seat constituencies and 250 seats decided by proportional representation that would replace the multi seat electorates of the House of Representatives.

The plan also calls for banning future acceptance of political donations from companies and business organizations, while seeking to sever "collusion" among the bureaucracy, politicians and the business community.

The five parties need the support of the 49-member Japan New party (JNP)-Sakigake alliance to beat a candidate for prime minister of the LDP, which has 227 members in the lower house.

In a meeting among representatives of the parties Monday, the five appealed to the JNP and Sakigake to join a high-level meeting Tuesday afternoon to step up preparations to form a seven-party coalition government, the officials said.

After hearing the appeal, senior JNP member Sakihito Ozawa and Sakigake representative Akio Nakajima were cautious about immediately joining the non-LDP coalition, they said.

The two said they would discuss the matter with other senior executives of their respective parties.

The JNP and Sakigake earlier agreed to vote in a bloc at an upcoming Diet election for prime minister, but stopped short of saying to whom they will vote.

Meanwhile, the LDP will also accept the JNP-Sakigake plan at a meeting Tuesday of the party's decision-making Executive Council, LDP officials said. The decision is designed to discourage the JNP and Sakigake from cooperating with the five-party alliance, they said.

Yoshinari Norota, an LDP deputy secretary general, appealed to senior Sakigake member Kisaburo Tokai by

telephone to wait until Friday before deciding on joining the non-LDP alliance, they said.

On Friday, the LDP will select a new president who will seek the prime ministership at a special Diet session expected to be convened in early August.

Opinions favoring a link up with the LDP are emerging among Sakigake members, who say it depends on the attitude the LDP takes toward the JNP-Sakigake alliance, Sakigake officials said.

Sakigake, led by former LDP legislator Masayoshi Takemura, decided at a meeting late Monday night not to send a delegate to Tuesday's high-level meeting of the non-LDP alliance, party officials said. Takemura informed Hiroshi Mitsuzuka, head of the LDP's largest faction to which he once belonged, by telephone Monday afternoon of the decision, the officials said.

Shusei Tanaka, chairman of Sakigake's Executive Council, told KYODO News Service, "we find no reasons to reject the LDP. It is more useful to change Japanese politics by forming a 'national grand alliance cabinet' (including the LDP) that puts priority on political reforms."

If the LDP formally adopts the JNP-Sakigake reform plan as a "unified party decision," Sakigake is ready to "talk with the LDP leadership" after its selection of a new president, Tanaka said.

Earlier in the day, the No. 1 opposition SDP called two meetings of its executives to coordinate its response to the JNP-Sakigake plan.

Some SDP members blasted the plan as likely to further slash the party's parliamentary strength following a disastrous election showing in which it lost 64 seats for a 70 total. However, Masao Sakon, a senior SDP official, told one of the meetings, "we have to take risks to put an end to the LDP's 38 years of unbroken rule and their corruption-ridden politics."

The SDP agreed to leave the final decision to SDP chairman Sadao Yamahana, the chief advocate of forming a coalition.

Shinseito, another breakaway from the LDP, Komeito and the DSP decided to accept the JNP-Sakigake plan at respective meetings of their party elders, officials of the parties said.

The USDP plans to adopt a proposal to accept the plan at a meeting of its executives Tuesday, party officials said.

### **LDP Accepts JNP-Sakigake Electoral Plan**

*OW2707043793 Tokyo KYODO in English 0409 GMT  
27 Jul 93*

[Text] Tokyo, July 27 KYODO—The decision-making Executive Council of the Liberal Democratic Party



(LDP) on Tuesday [27 July] decided to accept an electoral reform plan put forward by the Japan New Party (JNP) and Sakigake [Harbinger], two new conservative parties, LDP officials said. The LDP's decision is an apparent bid to secure a working parliamentary majority in the Diet in alliance with the JNP and Sakigake, political analysts said.

The plan centers on a proposed electoral system for the House of Representatives combining 250 single-seat constituencies and 250 seats decided by proportional representation to replace the current system in which all lower house constituencies have more than one seat.

An alliance of five opposition parties, including LDP breakaway Shinseito [Japan Renewal Party], accepted the JNP-Sakigake plan on Monday.

### **Hosokawa Denies JNP To Form LDP Coalition**

*OW2707112693 Tokyo KYODO in English 0954 GMT  
27 Jul 93*

[Text] Tokyo, July 27 KYODO—Japan New Party (JNP) leader Morihiro Hosokawa on Tuesday [27 July] flatly denied the possibility of his party forming a coalition government with the Liberal Democratic Party (LDP).

Hosokawa said in an interview the JNP will not join up with the LDP unless the long-dominant party is further split, adding, "we will not link up with the LDP the way it is now." His remark comes at a time when both the LDP and an alliance of five opposition parties are trying to coax the JNP and another new party, Sakigake (Harbinger), to their respective sides to form a government.

Last week, the JNP and Sakigake said they will back a prime ministerial candidate put forward by the opposition in an election to replace Prime Minister Kiichi Miyazawa.

Miyazawa announced his resignation as LDP president last week over his party's failure to win a majority in the House of Representatives in the July 18 general election.

Hosokawa and Sakigake leader Masayoshi Takemura said they will back the opposition candidate if the five parties adopt a policy to support political reforms centering on electoral changes and anticorruption measures.

The Social Democratic Party, Shinseito (Japan Renewal Party), Komeito, Democratic Socialist Party and United Social Democratic Party are certain to meet the conditions for a coalition with the JNP and Sakigake.

Questioned about the possibility of becoming prime minister, Hosokawa said, "I've never given it a thought. In the present situation, I can make no guesses about it. I cannot answer that hypothetical question."

The JNP leader said the presence of Shinseito senior official Ichiro Ozawa, whose alleged involvement in the

Tokyo Sagawa Kyubin money-and-mob scandal is yet to be cleared up, will not hamper a seven-party coalition.

"The important thing is to realize a change of government. The problem about Mr. Ozawa is neither an urgent task nor a decisive matter," Hosokawa said.

Ozawa was a protege of ex-LDP godfather Shin Kanemaru, who quit parliament last year for his involvement in the Tokyo Sagawa scandal and is standing trial on massive tax evasion charges.

Hosokawa also said the JNP will support a new government even if none of its party members are in the cabinet.

A special Diet session, mandatory after a general election, is expected to convene in early August to elect the next premier.

### **JNP, Sakigake To Join Opposition Coalition Talks**

*OW2707054193 Tokyo KYODO in English 0440 GMT  
27 Jul 93*

[Text] Tokyo, July 27 KYODO—The Japan New Party (JNP) and Sakigake (Harbinger) will join talks among secretaries general of five opposition parties later Tuesday [27 July] to discuss forming a coalition government, officials of the parties said. The moves by the two conservative parties gave momentum to the formation of the coalition government by non-liberal Liberal Democratic Party (LDP) and non-communist forces.

But the LDP also wooed support from the JNP and Sakigake by accepting the two parties' political reform plan which features an electoral system combining single-seat constituencies and proportional representation for the House of Representatives, LDP officials said.

The officials of the JNP and Sakigake said JNP leader Morihiro Hosokawa and Sakigake chief Masayoshi Takemura agreed in a meeting that the two parties will participate in the talks with secretaries general of the Social Democratic Party (SDP), Komeito, Shinseito (Japan Renewal Party), the Democratic Socialist Party (DSP) and the United Democratic Socialist Party (USDP).

Hosokawa and Takemura agreed to seek in the proposed meeting approval of their political reform proposal and present their stances on the economy, budget, tax system, opening of the rice market and United Nations peacekeeping operations, they said. The two leaders also agreed to later discuss whether they will join Wednesday's meeting among leaders of the five opposition parties.

The five-party coalition, with a combined strength of 195 lower house seats, needs the support of the 49-member JNP-Sakigake alliance to beat a prime ministerial candidate fielded by the LDP. The LDP, which has 227 members in the Diet's powerful lower chamber,



endorsed in its Executive Council the JNP-Sakigake plan which would replace the current multiseat constituencies for the 511-seat lower house, the LDP officials said.

By reluctantly endorsing the reform plan, the LDP leadership appears to be hoping to convince the JNP and Sakigake, founded by former LDP lawmakers, to support an LDP candidate for prime minister.

#### **Coalition Talks Begin 27 Jul**

*OW2707083493 Tokyo KYODO in English 0819 GMT 27 Jul 93*

[Text] Tokyo, July 27 KYODO—Senior officials of the Japan New Party (JNP) and Sakigake (Harbinger) on Tuesday [27 July] opened talks with secretaries general from five opposition parties to discuss the feasibility of a coalition government. Sources familiar with the meeting said the talks would focus on conditions laid down by the JNP and Sakigake to join a coalition government by the non-Liberal Democratic Party (LDP) and noncommunist forces.

The meeting came shortly after the LDP Executive Council's action to accept an electoral reform plan advanced by the JNP and Sakigake.

Formation of a potential seven-party coalition government would end the LDP's 38-year rule of the country.

The plan by the two new conservative parties calls for an electoral system combining single-seat constituencies and proportional representation for the powerful House of Representatives.

Earlier in the day, JNP leader Morihiro Hosokawa and Sakigake chief Masayoshi Takemura agreed in a meeting that the two parties would participate in the talks with secretaries general of the Social Democratic Party (SDP), Komeito, Shinseito (Japan Renewal Party), the Democratic Socialist Party (DSP) and the United Democratic Socialist Party (USDP), JNP and Sakigake sources said.

Hosokawa and Takemura agreed to seek in the proposed meeting approval of their political reform proposal and present their stances on the economy, budget, tax system, opening of the rice market and United Nations peacekeeping operations, they said.

The two leaders also agreed to later discuss whether they will join Wednesday's meeting among leaders of the five opposition parties.

The five-party coalition, with a combined strength of 195 lower house seats, needs the support of the 49-member JNP-Sakigake alliance to beat a prime minister candidate fielded by the LDP.

The LDP, which has 227 members in the Diet's powerful lower chamber, endorsed in its Executive Council the JNP-Sakigake plan which would replace the current multiseat constituencies for the 511-seat lower house, the LDP officials said.

By reluctantly endorsing the reform plan, the LDP leadership appears to be hoping to convince the JNP and Sakigake, founded by former LDP lawmakers, to support an LDP candidate for prime minister.

#### **Agree on Peacekeeping, Budget**

*OW2707140893 Tokyo KYODO in English 1344 GMT 27 Jul 93*

[Text] Tokyo, July 27 KYODO—The prospect of a coalition government excluding the long-ruling Liberal Democratic Party (LDP) gained fresh momentum Tuesday [27 July] when seven opposition parties agreed to work out differences over policy issues before their leaders meet to discuss ending the LDP's 38-year lock on power.

Representatives of the five opposition parties and two new conservative groups met in the afternoon to coordinate strategy. They agreed to hold a meeting of the parties' policy officials later in the day.

The officials reached agreement on some issues such as Japan's continued participation in United Nations peacekeeping activities abroad and the compilation of a national budget in the same form as the current one.

The representatives of the seven parties also will hold another round of meetings on Wednesday. Party leaders are expected to meet on Friday or later to reaffirm their commitment to forming a coalition government, the sources said.

Political sources said there is a strong likelihood of a non-LDP government being formed in a special Diet session, expected to convene in early August.

The representative meeting of the seven parties came after five of them—the Social Democratic Party (SDP), Shinseito (Japan Renewal Party), Komeito, the Democratic Socialist Party and the United Social Democratic Party—accepted conditions set by the Japan New Party (JNP) and Sakigake (Harbinger) for a possible coalition.

Last week, the leaders of the JNP and Sakigake expressed their willingness to support a prime ministerial candidate put forward by the five parties.

They said their parties will back such a candidate if the five adopt a policy to support political reforms centering on electoral changes and anticorruption measures.

The JNP-Sakigake reform plans proposed combining single-seat constituencies with proportional representation in the predominant House of Representatives. Under the plan, the 511 seats of the lower house will be reduced to 500, with half of them chosen in single-seat districts and the other half through proportional representation.

The five-party alliance, which has a combined strength of 195 lower house seats, needs to coax the 49-member JNP-Sakigake team to its side to enable it to elect a



non-LDP, noncommunist prime minister and wrest the reins of government from the LDP for the first time since its founding in 1955.

Earlier Tuesday, the LDP's decision-making Executive Council decided to accept the set of political and electoral reform plans laid out by the JNP and Sakigake, a last-ditch attempt to lure the JNP and Sakigake for the LDP-led coalition government.

The LDP has 227 members in the lower house, 29 shy of a bare majority in the key chamber.

The long-governing party lost its majority in the lower house in the July 18 general election, for which Prime Minister Kiichi Miyazawa will take responsibility by quitting as LDP president and premier.

JNP leader Morihiro Hosokawa said he cannot accept the LDP's stance on the course of political reform, adding that his party's approach differs vastly from that of the LDP.

His ally Masayoshi Takemura, leader of Sakigake, buttressed that view and voiced doubt about the LDP's attitude toward achieving political reform.

Ichiro Ozawa, once an LDP secretary general and now a senior official of Shinseito, expressed confidence in the formation of a coalition government that includes the JNP and Sakigake. "There is no big stumbling block as long as all the parties share a basic perception," he said at a news conference.

Those seeking to run for the LDP presidency will file their candidacies on Wednesday morning, with a new party president set to be selected on Friday by ballot involving all members of both houses in the Diet and representatives from the party's 47 prefectural chapters.

Three LDP legislators are expected to vie for the party's top post. They are former Foreign Minister Michio Watanabe, Seiichi Ota and ex-Finance Minister Ryutaro Hashimoto.

But some members within the LDP are still striving to field Chief Cabinet Secretary Yohei Kono and former Prime Minister Toshiki Kaifu as candidates for the top LDP post.

Meanwhile, Miyazawa asked Deputy Prime Minister Masaharu Gotoda by telephone on Tuesday afternoon to run for the LDP presidency, a senior government official said. Gotoda, 78, has been tipped as a likely candidate as he is an advocate of political reform, but he has repeatedly jettisoned calls for him to run, citing his advanced age.

For the last 38 years, the LDP has maintained a majority in the powerful House of Representatives, thus enabling whoever held the top party post to automatically assume the prime ministership. But with the LDP's failure to

win a majority in the 511-member lower house in the July 18 general election, the post no longer assures the premiership.

### Seven Parties 'Closer' to Non-LDP Coalition

OW2707112793 Tokyo KYODO in English 0942 GMT  
27 Jul 93

[Text] Tokyo, July 27 KYODO—Seven opposition parties, including two new conservative parties—the Japan New Party (JNP) and Sakigake (Harbinger)—on Tuesday [27 July] came closer to forming a coalition government that would exclude the Liberal Democratic Party (LDP).

Formation of a potential non-LDP, noncommunist coalition government would finally put an end to LDP's 38-year rule of the country when the special session of the Diet is convened in early August to elect a new prime minister.

Secretary general-level officials of the seven parties met Tuesday afternoon for an hour and 15 minutes to coordinate their views on establishing the coalition government.

At the meeting, they agreed that seven parties' officials in charge of party policies will meet later in the day to work out joint policies, such as pump-priming measures and foreign policy, for the coalition government and to arrange a meeting of their leaders.

After the seven-party talks, Hirotaka Akamatsu, secretary general of the Social Democratic Party (SDP), told reporters that the leaders of the seven opposition parties would meet on Thursday if the parties agreed on basic policies under the coalition government.

The meeting of the senior officials of the seven parties—the SDP, Shinseito (Japan Renewal Party), Komeito, JNP, the Democratic Socialist Party (DSP), Sakigake, the United Social Democratic Party (USDP)—took place after five of the parties, excluding the JNP and Sakigake, accepted conditions set by the JNP and Sakigake for a possible coalition government.

The plan by the two new conservative parties call for an electoral system combining single-seat constituencies and proportional representation for the powerful 511-member House of Representatives.

The five-party coalition, with a combined strength of 195 lower house seats, needs the support of the 49-member JNP-Sakigake alliance to beat a prime minister candidate fielded by the LDP.

Earlier in the day, in a last-minute attempt to lure the JNP and Sakigake for a coalition government centering on the LDP, the LDP's decision-making Executive Council decided to accept the package of political and electoral reforms laid out by the JNP and Sakigake. By endorsing the reform plan, the LDP leadership appeared



to be hoping to convince the JNP and Sakigake, founded by former LDP lawmakers, to support an LDP candidate for prime minister.

The LDP has 227 members in the lower house, 29 votes short of the needed 256 votes for a majority in the chamber.

### **Orthodox Economic Growth Urged To Boost Economy**

*OW2707021393 Tokyo KYODO in English 0129 GMT 27 Jul 93*

[Text] Tokyo, July 27 KYODO—In the aftermath of the expensive lesson taught by the shattering of the "bubble economy," Japan should now pursue orthodox economic growth, the Economic Planning Agency (EPA) says in an annual white paper released Tuesday [27 July].

The 478-page paper for fiscal 1993, entitled "What We Learned From the Bubble and Our Challenge to a New Development," reexamines the boom, burst and impact of the bubble economy, fueled by reckless, speculative investment in land, securities, and manufacturing facilities from the latter half of the 1980s to the early 1990s.

According to EPA estimates, in 1987 when Japan's asset inflation hit its peak, the total market value of stocks and land soared by 489 trillion yen, equivalent to about 140 percent of the country's nominal gross national product (GNP) that year. Nominal GNP is the figure before adjustment for inflation. But once the bubble burst, the market value of those assets plummeted—by 207 trillion yen in 1991, or some 46 percent of GNP, and a further 403 trillion yen in 1992, about 88 percent of GNP.

One of the worst aftereffects of the bubble is that it left many corporations, households and individuals saddled with crushing debt loads. The value of assets declined quickly, whereas debts incurred to finance speculative investments remained at extravagant, bubble-era heights, the EPA said.

As a result, Japan's economy went into a wicked tailspin. Once the bubble started bursting in mid-1991, economic growth began declining, bringing about the deepest and longest recession in the nation's postwar history, according to the white paper.

GNP, the total value of goods and services produced, increased by only 0.8 percent in the latest year to March 31, down sharply from 6.0 percent in 1988, due to slowing consumer spending and plummeting corporate capital investment.

Growth in consumer spending declined steadily to only 1.0 percent in fiscal 1992, while corporate capital investment spending fell off a cliff: It contracted 5.7 percent in the year to March 31 after increasing by double-digit rates during the go-go bubble years.

Hit by the triple whammy of slowing consumer spending, declining corporate capital investment, and

asset implosion, corporate profitability withered. In the year to March 31, corporate profits, including both operating and nonoperating profits, sunk 26.5 percent from the year before.

The paper says signs of recovery have appeared in recent months, with steady increases posted in public investment, housing construction and sales of consumer durables. But it acknowledges that personal consumption and business investment remain sluggish.

"Overall, the Japanese economy is expected to trace a recovery path in the second half of this fiscal year," but the pickup pace will be more moderate than in past recovery phases, the paper predicted.

It suggests that Japan should develop its economy by improving industrial productivity through streamlining structures, and by restoring sound economic activities of households and individuals. This is the only way to achieve sustainable growth that is not achieved at the expense of trading partners, the paper said.

As for the impact of the yen's recent sharp appreciation, the paper said its profit-squeezing effect on manufacturers will be less than in 1985, as their dependency on exports has lessened. A 10 percent appreciation of the yen would, on the other hand, push down consumer prices by about 1.03 percent, the EPA calculates. Another effect of the higher yen—reducing Japan's current surplus by increasing imports—will only become apparent in the fourth year, and the reduction will be limited because the high yen will simultaneously boost the value of Japan's exports, it added.

On the surplus issue, the paper said Japan's current account surplus, which declined to 33.7 billion dollars in fiscal 1990 (1.1 percent of GNP), shot up to a record 125.9 billion dollars in fiscal 1992 (3.3 percent of GNP). The increase cannot be explained only by the fact that imports declined during the latest recession, but also reflects the higher-priced, value-added nature of Japan's exports.

The white paper says the surplus should not necessarily be seen as a problem if market mechanisms are functioning freely and the world economy is developing satisfactorily. But in reality, market mechanisms do not function smoothly, and with the world in recession, Japan's surplus is engendering a drift toward protectionism.

Thus Japan should take three measures, the EPA said—increase domestic demand, realize a more transparent and open market by relaxing regulations, and circulate the surplus in a way that contributes to the world economy.

On this issue, Heizo Takenaka, an assistant professor at Tokyo's Keio University, said the suggestions are all adequate, but were all recommended seven years ago in the so-called Maekawa report, by an advisory panel to the prime minister headed by the late Haruo Maekawa,



then governor of the Bank of Japan. The EPA should have discussed why those measures have not been fully adopted, or why those that have been taken have not resulted in sufficient improvement since then, he said.

#### **Hayashi Comments on White Paper**

*OW2707033293 Tokyo KYODO in English 0254 GMT 27 Jul 93*

[Text] Tokyo, July 27 KYODO—Finance Minister Yoshiro Hayashi said Tuesday [27 July] the government will strive to prevent resurgence of the speculative bubble, trim trade surplus and improve living conditions in Japan.

Referring to the economic white paper released the same day, Hayashi told reporters after the morning cabinet meeting the government regrets the fact that it had allowed the development of the speculative bubble that apparently hurt the Japanese economy. The finance minister said the government will adopt fiscal and monetary policies that will prevent the reemergence of such speculative asset inflation.

Hayashi said the government is not considering lifting the freeze on further sales of its Nippon Telegraph and Telephone shares during the current fiscal year, which runs through March next year.

#### **Panel Planned To Improve Public Works Bidding**

*OW2307082793 Tokyo KYODO in English 0734 GMT 23 Jul 93*

[Text] Tokyo, July 23 KYODO—An advisory council to the construction minister decided Friday [23 July] to set up a special panel to consider measures to improve the current bidding process for public works projects, council officials said. The Central Council on the Construction Contracting Business will hold the first meeting of the 22-member special committee on August 2 in hopes of drawing up an overall conclusion on the issue, they said.

Luminaries from various walks of life such as academics, prefectural governors and lawyers will sit on the committee, the officials said. Committee members will consider the possibility of introducing open bidding with certain restrictions, to replace the current system of limiting the right to bid to selected firms.

They are also expected to check the effectiveness of measures to improve the current designated bidding system, as well as discuss the possibility of incorporating other criteria beside price in deciding who will be the successful bidder, the officials said.

The closed nature of the existing bidding system for public works projects is said to encourage bid-rigging among contractors and to have led to a series of recently uncovered scandals in which construction firms allegedly paid money to politicians to influence the selection.

Two mayors have been arrested on suspicion of bribery and on Friday, the governor of Ibaraki Prefecture was reported to have received 30 million yen from Hazama Corp., a major construction firm.

The United States and other countries, meanwhile, have demanded that Japan implement measures to allow foreign contractors to participate in public works projects.

#### **Governors on Donations From Construction Firms**

*OW2507122393 Tokyo KYODO in English 1206 GMT 25 Jul 93*

[Text] Tokyo, July 25 KYODO—All prefectural governors responding to a poll, including one now under arrest, denied profiting personally from contributions by major construction firms, while 13 said their support groups have accepted legal donations from contractors.

Ibaraki Gov. Fujio Takeuchi told KYODO News Service a few days before his arrest Friday [23 July] on suspicion of accepting 10 million yen in bribes from Hazama Corp., "I have received neither legal nor illegal donations from major contractors."

The mayors of Japan's 11 biggest cities, excluding Sendai, also denied individually accepting money from contractors, while two of them said their support organizations received political donations from such firms, the KYODO poll found.

Japan's construction industry is under the spotlight following the arrests this month of Takeuchi, Sendai Mayor Toru Ishii and Masahiro Oyama, mayor of Sanwa, Ibaraki Prefecture.

Earlier in the year, former political kingpin Shin Kanemaru was arrested and indicted on suspicion of evading over 1 billion yen in income taxes.

All are accused by prosecutors of profiting from links with the construction industry. Ishii was indicted July 19 for bribery charges, while Kanemaru's trial on massive tax evasion charges began last Thursday.

KYODO conducted the poll in mid-July by interviewing the governors and mayors or having them respond to a questionnaire.

Forty-six of the 47 governors responded. Aides to Shizuoka Gov. Shigeyoshi Saito said he was too busy with a hectic reelection campaign.

Most of the governors and mayors who admitted receiving donations through support groups stressed their legality, saying they do not contravene the Political Funds Control Law, which limits annual contributions to a politician by a firm to 1.5 million yen. But many were evasive on whether or not they have received donations from major builders.



In a typical response, Akita Gov. Kikuji Sasaki said, "Please ask that question to my political support group, as I do not know (the answer)."

Kanagawa Gov. Kazuji Nagasu defended donations his support group has received, saying, "I have precisely declared these donations in a political funds report."

Niigata Gov. Ikuo Hirayama said, "I want to exert caution for myself in view of the scandals." Shiga Gov. Minoru Inaba said when governors are offered bribes, they should never give in to temptation.

Yokohama Mayor Hidenobu Takahide dismissed the bribery cases as "exceptional" and Osaka Gov. Kazuo Nakagawa said the Diet should make the law stricter.

Kawasaki Mayor Kiyoshi Takahashi and Tokyo Gov. Shunichi Suzuki said changing laws or the bidding system may not make a difference because it is a matter of ethics for a politician.

Several of the officials said Japan has to do away with the controversial designated bidding system under which some politicians have reportedly exerted influence to pick the winning bidder for public works projects in exchange for donations.

Ibaraki's now-arrested Gov. Takeuchi said, "Japan should move to introduce a competitive bidding system."

Yamaguchi Gov. Toru Hirai said, "We may have to eradicate a system that allows the chiefs of prefectural or municipal governments to have a say in designating the winner."

But Akita Gov. Sasaki said, "If we introduced a free bidding system, local contractors in our prefecture would go out of business."

#### **Governor Reportedly Admits Receiving Money**

*OW2507134293 Tokyo KYODO in English 1326 GMT  
25 Jul 93*

[Text] Tokyo, July 25 KYODO—Ibaraki Gov. Fujio Takeuchi has told prosecutors Hazama Corp. gave him 10 million yen in 1990 in an effort to buy his influence to award it a project to construct a prefectural government office, sources close to the prosecution said Sunday.

Takeuchi, under arrest on suspicion of taking the bribe from the major general contractor, made the admission during questioning by investigators of the Tokyo District Public Prosecutors Office, the sources said.

The prosecutors suspect Shigeru Honda, former Hazama Corp. chairman, and other company executives gave Takeuchi the donation in February 1990 and another 30 million yen in February 1992 in order to win orders for the 70 billion yen project, they said.

Apart from Hazama, Takeuchi is suspected of having received secret donations from other contractors, the sources said.

Takeuchi, a former senior official of the Construction Ministry, had close contacts with top officials of many construction companies, they said.

Hazama, which was awarded at least three major projects by the prefecture between 1986 and 1992, is currently bidding for two other big jobs. One is to build the prefectural government office in a suburb of Mito, scheduled to start in 1997.

At the time of the arrest, prosecutors suspected Hazama gave the 10 million yen to Takeuchi as a reward for using his influence to ensure that the company was selected for a project to build a dam, the sources said.

However, Takeuchi denied the money was a reward for the Juo dam project, saying Hazama and other contractors tendered bids as early as 1986, four years before his acceptance of the 10 million yen, they said.

Instead, Takeuchi told prosecutors he had perceived the money as a ploy to secure his favor for the government office project, the sources said. But the 75-year-old governor, a former Urban Planning Bureau chief of the Construction Ministry, denied receiving 30 million yen from Hazama in February 1992.

Prosecutors seized Takeuchi's pocketbook, in which he recorded his appointments and other activities, during raids Friday and Saturday on the prefectural office and other places. The pocketbook carried descriptions of the date and names of Hazama executives in a February 1990 meeting, at which they allegedly gave Takeuchi the 10 million yen, the sources said.

Meanwhile, Takeuchi allegedly arranged for his prefectural advisory council to submit a report recommending the shift of the prefectural office site to the Mito suburb shortly after he received the money, informed sources said.

The advisory council comprising selected prefectural assembly members and academics submitted the report on February 28, 1990, to Takeuchi.

The council was commissioned with selecting one of two options—to reconstruct the prefectural office at its existing site or move it to the suburb, the sources said. It recommended moving the office—a choice several times more costly than reconstruction—after its members were allegedly pressured by Takeuchi, they said.

A prefectural official said, "The specifics of the discussion at the advisory council were reported to Gov. Takeuchi in detail. The prefectural office construction project would not make progress if the governor balked at any part of it."



"I suspect that Hazama Corp. tried to preempt other contractors to push for the option to shift the office (by bribing Takeuchi)," he said. Other prefectural officials concurred.

Also on Sunday, the Tokyo District Court allowed prosecutors to detain Takeuchi for 10 more days until August 2 for questioning, court officials said.

## North Korea

### Pyongyang Marks 40th Anniversary of War 'Victory'

#### PRC Delegation Attends Ceremony

*SK2607140193 Pyongyang Korean Central Television Network in Korean 1100 GMT 26 Jul 93*

[Text] A Chinese party and Government delegation led by Comrade Hu Jintao, member of the Standing Committee of the Political Bureau and member of the Secretariat of the CPC Central Committee, arrived in Pyongyang today by train to attend a ceremony to mark 40th anniversary of the great victory in the Fatherland Liberation War. Comrade Chi Haotian, member of the CPC Central Committee, state councillor, and minister of National Defense, is the deputy head of the delegation.

Comrade O Chin-u, Comrade Choe Kwang, Comrade Kye Ung-tae, Comrade Choe Tae-pok, and functionaries concerned met the guests.

A ceremony to welcome the Chinese party and Government delegation took place at the Pyongyang station. Comrade Hu Jintao and Comrade Chia Haotian reviewed an honor guard of the three services of the Korean People's Army with Comrade O Chin-u, while the national anthems of the PRC and our country were being played.

The citizens of all strata in Pyongyang city came to the streets with the flags of the two countries and flowers and warmly welcomed the guests who are visiting our country.

At a time when our people are significantly greeting the 40th anniversary of the victory in the Fatherland Liberation War, the Chinese party and Government delegation is visiting our country, with the sentiments of the fraternal Chinese people's friendship toward our people.

#### Kang Song-san Speaks at Meeting

*SK2607142293 Pyongyang Korean Central Broadcasting Network in Korean 0604 GMT 26 Jul 93*

[Speech by Kang Song-san, member of the Political Bureau of the Central Committee of the Workers Party of Korea and premier of the DPRK Administration Council, at a central report meeting held in the

Pyongyang indoor stadium on 26 July to celebrate the 40th anniversary of victory in the Fatherland Liberation War—live]

[Text] Comrades: We are celebrating with all of the people the significant 40th anniversary of victory in the great Fatherland Liberation War with great dignity and high national honor. Under the vigorous circumstances in which all party members and the working people are not only performing brilliant exploits in all fields of revolution and construction by waging battles of loyalty while holding aloft the slogans of the Central Committee of the Workers Party of Korea [WPK] published on the occasion of the 40th anniversary of victory in the Fatherland Liberation War, but are also accelerating the general march of socialism of our own style with the great dignity of having provided proud labor gifts, we magnificently celebrate the anniversary of the victory of the war following our national conference of war veterans. This is our people's great glory and a great revolutionary, felicitous event. [applause]

The war victory anniversary which shines as an immortal feat in the history of our people's scared struggle for the freedom and independence of the country is the second liberation day, along with 15 August, on which our people defeated the imperialists' aggression and thus defended the nation's sovereignty. [applause]

Magnificently celebrating the historic 40th anniversary of the victory of the war and marking the war victory day as a national festive day at a time when the whole country is demonstrating the heroic mettle of chuche Korea as the immortal fortress of socialism and [word indistinct], firmly defending the red banner of the revolution, even in the grim situation in which socialism collapsed and capitalism returned in some socialist countries because of the maneuvers by the imperialists and reactionaries, is a great significant event in the history of our people's struggle against the imperialists' aggression and intervention and for repeated victories of socialism and communism. [applause]

On the occasion of the significant anniversary of the war victory and authorized by the respected and beloved leader Comrade Kim Il-song, on behalf of the Political Bureau of the WPK Central Committee and the Military Commission of the party Central Committee, I warmly congratulate all of the people and officers and men of the brave Korean People's Army [KPA] and the People's Security Forces who bravely fought for the freedom and independence of the country and who are performing brilliant exploits today in socialist construction and at national defense outposts. [applause]

In addition, I warmly congratulate old anti-Japanese fighters, the war veterans of the Fatherland Liberation War, disabled veterans, and discharged soldiers who shed blood for the freedom and independence of the country in the arduous days of the war and who are also devotedly struggling for the party, the revolution, the



fatherland, and the people; and families of the People's Army. I also extend warm greetings to partisans of the South who bravely fought against the enemies in the southern half of the republic during the fierce and arduous war and all overseas compatriots, including compatriots in Japan, who actively contributed to the victory in the war. [applause]

Hundreds of thousands of our countries' sons and daughters devoted their valuable lives to the sacred war to defend the freedom and independence of our country. We bring glory to the heroic KPA soldiers and patriotic martyrs, who sacrificed themselves by bravely fighting for the party, the republic's regime, and the people's system of democracy during the fierce Fatherland Liberation War. [applause]

The blood our martyrs shed in the just fight for the fatherland and the people was not in vain. Our party and the people will never forget their valuable sacrifice. [applause]

Comrades: Our people's Fatherland Liberation War was the great revolutionary war, which glorified the dignity and honor of the independent people by smashing the armed invasion by the imperialists, who were proud of having the strongest forces in the world. The Korean war resulted from the U.S. imperialists' world strategy aimed at frustrating the new independent forces which had grown since World War II. Thus, victory or defeat in the war became an acute and important issue, which was related to mankind's anti-imperialist cause for independence—the fate of the socialist cause.

Our republic and the people won a great victory in the arduous war against the imperialists' armed invasion, firmly defending the freedom and independence of the fatherland and gloriously fulfilling the world's belief and expectation. [applause]

Our people's victory in the Fatherland Liberation War was the victory of the faith and will of the revolutionary people under the great leader's leadership. [applause]

The respected and beloved leader Comrade Kim Il-song has taught: The Korean war was unprecedentedly fierce, bringing untold suffering and misfortune to our people. The Korean people, however, were indomitable. They rose up unanimously in heroic resistance against the armed aggressors under our party's leadership.

The popular masses' absolute trust in their leader's greatness in the just war against the imperialists' aggressors was the ideological and spiritual wellspring, which gave birth to invincible faith and unrivaled heroism.

Indeed, the war brought about by the U.S. imperialists brought arduous tribulations to our inexperienced republic and people. When the war of aggression against our republic broke out, [word indistinct] was not matched in number and technology.

The Korean war, which lasted for three years, was unprecedentedly fierce. Millions of aggression military

forces armed with modern equipment and a large number of troops armed with ultramodern technology were mobilized at the front. The most atrocious and brutal tools of war were employed.

The imperialist aggressors in the Korean war fired on and destroyed our peaceful cities, villages, plants, schools, and hospitals through reckless bombings. They committed the atrocity of brutally massacring our patriots and innocent people everywhere.

Our people, who had just been liberated, and the People's Army, which had developed into a regular armed forces in only a short time, won a shining victory against the vicious enemy, displaying an indomitable heroism in the fiercely fought modern strategy because they had the firm faith and will that as long as they had the great leader Comrade Kim Il-song—the legendary hero and the ever-victorious iron-willed brilliant commander of the anti-Japanese revolutionary war, who had led the Korean revolution to constant victory overcoming the stern storm of the revolution—at their head, they could defeat any aggressors and win victory without fail. [applause]

When the stern trial of war came, which would determine the life and death and destiny of the country and the people, the great leader Comrade Kim Il-song took resolute steps with his unequalled courage and iron will to frustrate the enemy's invasion without delay and mop up the aggressors with a passionate counterattack. He aroused the entire country, the entire army, and all of the people into the pan-national resistance for the annihilation of the enemy under the militant slogan "Everything for war victory."

Upholding the militant call of the great leader Comrade Kim Il-song, our people and People's Army launched themselves as one person into the war of justice of defeating the imperialist aggressors. Displaying the indomitable revolutionary spirit and noble patriotism, they fought bravely. The officers and men of the People's Army, who were well aware that they had no life or future without the country as they had painfully experienced the shame and sorrow of those who lost the country, cherished deep in their hearts that the respected and beloved leader General Kim Il-song was the bosom of the country who enabled them to enjoy the true happiness and value of life in the bosom of their fatherland as masters of plants and as masters of the land for the first time after the liberation. With this in mind, they were confident of ultimate victory while revering the great leader in the fierce battle on the Nakdong River, in the arduous trial of the tentative strategic retreat, and in the fierce battles of counterattack and defending positions. They thus waged death-defying bloody battles, laying down their youth and lives, and created one military miracle after another unprecedented in the history of war.



The defenders of the 1,211-Meter Hill fought like birds filled with faith in sure victory and revolutionary optimism as they defeated the enemies that pounced upon them scores of times a day and raining tens of thousands of shells and bombs. The soldiers of the coast artillery company of Wolmido fought until they shed every drop of their blood, confronting the enemy's 50,000-strong troops and hundreds of combat ships. The brave fighters of the People's Army performed heroic exploits by holding up torches and making all peaks and valleys places of death and horror for the enemy. The heroic exploits of all of these soldiers were based on boundless loyalty to their party and leader; fidelity to their country, home villages, parents, wives, and sons and daughters; and the warm love of the soldiers of the People's Army and people for them and their patriotic devotion.

The tens of thousands of brilliant sons and daughters of our country who bravely fought like birds, laying down their lives without hesitation for the party, the leader, the country, and the people in fierce battles—such as heroes Yi Su-pok, Kang Ho-yong, Cho Kun-sil, and An Yong-ae—displayed an indomitable fighting spirit and performed shining exploits in the Fatherland Liberation War. This was a vivid reflection of their loyalty and noble patriotism to their leader, their country, and their system which was hotter than fire and stronger than iron. [applause]

During the fatherland liberation war, the people in the rear also fought heroically with the People's Army for the victory of the war. Our people, who inherited the noble tradition of the Army-people harmony created in the era of the anti-Japanese revolutionary struggle, highly displayed the unequalled sacrificing spirit and heroism for the war-time production and assistance to the front under the slogan "Everything for the front," overcoming all sorts of difficulties. Truly, under the wise leadership of the great leader Comrade Kim Il-song, the blaze of resistance burned powerfully in our country during the entire period of the fatherland liberation war against the foreign imperialist aggressors. With firm unity between the front and the rear, between the Army and the people, they fought heroically to defend the independence of the country and the gains of the revolution. [applause]

In the days of the sacred struggle to oppose the imperialist armed invasion, our people received the active support and encouragement from many countries and hundreds of millions of people of the world that loved justice and peace. In particular, the Chinese people, who had waged a joint struggle with our people against Japanese imperialism for a long period of time, helped our people with blood in their struggle of justice in the difficult time of war by sending their volunteers under the "Resist U.S. aggression and aid Korea" banner. They sent us large quantities of comforts out of their warm wishes that we would win more victories in battles. Our people have not forgotten this and are eternally grateful to them for this. On the occasion of the significant war victory anniversary, in the name of all our people, I express our high tribute to the heroic martyrs of the

Chinese People's Volunteers [CPV] who registered brilliant militant exploits and laid down their noble lives displaying their noble sacrificing spirit and internationalist spirit in the sacred struggle against the imperialist aggressors, and express our warm gratitude to the fraternal Chinese people, including the CPC, the Chinese Government, and the CPV fighters. [applause]

At the same time, I express my deep gratitude to the governments, political parties, and peace-loving people of all the countries of the world, including socialist countries, that denounced the armed invasion of Korea and supported and encouraged our people's struggle materially and spiritually in the difficult time of the fatherland liberation war. [applause]

Our people and the People's Army overcame the difficult trials of war by fighting with a resolution of the martyrs of sharing life and death firmly united around the party and the leader. They inflicted a humiliating defeat to the aggressors and achieved a historic victory. [applause]

The victory our people won in the fatherland liberation war was the great victory of the outstanding military ideology, strategy, and tactics, and chuche military warfare of the respected and beloved leader Comrade Kim Il-song. It was the shining fruition of the leader's wise leadership and brilliant arts of commanding the Army. [applause]

The great leader Comrade Kim Il-song—who founded the chuche idea in the pioneering period of the Korean revolution and put forth the self-defending military ideology and outstanding strategy and tactics which embodied the chuche idea in the military fields contributing greatly to the development of the working-class military ideology and the people's anti-imperialist cause for independence—founded the party and the people's government in a timely manner based on his deep insight into the demands of the prevailing situation immediately after the liberation and based on his abundant experience he achieved during the anti-Japanese revolutionary struggle. At the same time, he built the regular revolutionary Armed Forces and embodied the principle of self-reliant national defense, thereby turning the northern half of the Republic into a strong base of the Korean revolution.

During the period of the arduous fatherland liberation war, the great leader Comrade Kim Il-song took all responsibility for the fate of the country and the people and strengthened the political, military, and economic might of the country by all means. The great leader Comrade Kim Il-song put forward brilliant policies and lines, organized and mobilized all strength in a bid to win a victory in the war, and wisely led all the party, all the Army, and all the people to carry out the policies and lines.

At every period and every stage of the fatherland liberation war, the great leader Comrade Kim Il-song strengthened the party organizationally and ideologically



and enhanced the party's leading role by all means, thereby firmly ensuring the victory in the war.

The great leader Comrade Kim Il-song convened the plenary session of the party Central Committee on several occasions even in the flames of the arduous war. By so doing, the great leader Comrade Kim Il-song clearly elucidated the direction of the party's activities and struggle; firmly ensured the party's leadership during the entire period of the war; adhered to the party's [word indistinct]; and paid great attentions to strengthen the [word indistinct] of the party's ranks.

The great leader Comrade Kim Il-song put prime efforts into enhancing the ideological consciousness of the popular masses, who were directly in charge of conducting the war. The great leader Comrade Kim Il-song constantly strengthened the party's political work and the masses' indoctrination work among soldiers and people. By so doing, the great leader Comrade Kim Il-song led soldiers and people to firmly maintain a political and moral superiority in the bloody battle against the enemies and to bring into full play the masses-oriented heroism. [applause]

The great leader Comrade Kim Il-song with his outstanding military wisdom and strategy created original tactics and logistics and constantly dealt blows to the armed aggressors who were proud of their numerical and technological superiority. The great leader Comrade Kim Il-song led our People's Army so energetically that the enemies were to meet their doom.

During the early period of the fatherland liberation war, the great leader Comrade Kim Il-song [words indistinct] the enemies' surprise attack. The KPA soldiers' numerous operations and combats—the operation of annihilating [word indistinct] through a tangible [word indistinct]; the Taejon liberation operation which created a brilliant example in [word indistinct] combat; the second-front units' struggles which dealt a serious blow to the rear of the enemies; and the positive combats to defend positions by digging tunnels—were the brilliant application of the outstanding tactics and strategies and original chuche-oriented logistics of the respected and beloved leader Comrade Kim Il-song, the great military strategist. [applause]

Thanks to the chuche-oriented strategy and tactics and bold logistics of our own style, which were put forth by the great leader Comrade Kim Il-song, the KPA soldiers torpedoed the enemies' (?cruise). By making the best of [word indistinct] in mountainous areas, the KPA soldiers caused the enemies to face a massive death. By launching a campaign to attack aircraft and tanks, the KPA soldiers performed the unprecedented heroic exploit of smashing the enemies and hitting the enemies' tanks by [word indistinct] weapons.

The great leader Comrade Kim Il-song, who has always been with the people and shared weals and woes with them, personally visited the forward front, sagaciously organized and guided the KPA militant activities, and

warmly encouraged the fighters. The great leader Comrade Kim Il-song gave our KPA soldiers hundred-fold and thousand-fold strength and bravery, so that they could win victories at every step, by heroically fighting with overflowing faith and optimism.

The great leader Comrade Kim Il-song wisely led the struggle to win a victory in fronts, put great efforts into consolidating the rear, constantly enhanced the functions and roles of the people's regime during the entire period of the war, successfully ensured the work of wartime production and the work of assisting the fronts, and took all steps to stabilize and improve the people's living standard.

Indeed, thanks to the wise leadership of the respected and beloved leader Comrade Kim Il-song who, in the arduous fatherland liberation war period, led the entire patrie, the entire army, and all of the people to the single road of annihilating the enemies and thus, demonstrated the dignity and mettle of chuche Korea with his great ideology and extraordinary leadership, our people and officers and men of the KPA could achieve the final victory in the war by firmly uniting around the party and the leader with firm faith in the victory of the revolution and the future of the fatherland. [applause]

Our people's victory in the fatherland liberation war was a historic event which has great significance in the struggle for the pioneering of our nation's destiny, for mankind's anti-imperialist cause for independence, and for the victorious development of the socialist cause. [applause]

By achieving a great victory in the fatherland liberation war under the wise leadership of the respected and beloved leader Comrade Kim Il-song, our people and the People's Army vigorously demonstrated inexhaustible vitality and invincibility of our republic and the people's democratic system, honorably defended the freedom and independence of the country and the sovereignty of the nation, and thus, greatly contributed to defending peace and security in Asia and the rest of the world. [applause]

Our people's victory in the fatherland liberation war proved the truth that even the people of a small country can certainly win a victory when they valiantly fight against aggressors with the high awareness of being master of the country and state sovereignty. It also clearly showed that no force on earth could subdue the people who are firmly rallied as one around the party and the leader in ideology and will.

With the great victory of the fatherland liberation war, the main forces of our revolution have been unprecedentedly strengthened, and a brighter vista has opened on the road of victorious development of the socialist cause in our country. In the arduous period after the war, our people rebuilt our country by tightening their belts and displaying the spirit of self-reliance and fortitude even under difficult conditions where everything was destroyed by the war. Thus, our people completely smashed the imperialists' foolish, silly talk that Korea



could not be rebuilt within 100 years and set a new honorable record in the history of construction. This was because they had the indomitable, heroic fighting spirit which were highly displayed and further enriched in the fatherland liberation war and the noble ideological and mental assets with the singlehearted unity of the leader, the party, and the masses as a core.

Indeed, our people who won the great victory in the fatherland liberation war have firmly united around the party and the leader for the 40 postwar years and smashed at every stage the constant aggression and provocation maneuvers by the imperialists and reactionaries with mass heroism, patriotic devotion, and indomitable fighting spirit. At the same time, they have waged constant struggles in all fields of economic construction and national defense construction, holding hammer and sickle in one hand and rifle in the other. As a result, they have won the brilliant victory of outstandingly turning our country into a country of self-dependence, self-support, and self-reliant defense, a popular masses-centered socialist country which enjoys grandeur and prosperity. [applause]

Our people's victory achieved in postwar revolution and construction under the wise leadership of the party and the leader following the victory in the fatherland liberation war was a great victory which brilliantly inherited the glorious anti-Japanese revolutionary tradition and developed and enriched it. It was also a proud victory which demonstrated the absolute superiority and driving force of socialism and its boundless vitality with the singlehearted unity of the leader, the party, and the masses. [applause]

The indomitable fighting spirit and rich experience and exploits achieved in the fatherland liberation war under the wise leadership of the great leader Comrade Kim Il-song serve as the source of inexhaustible strength of eternal vitality which enables our people to effect a constant upsurge in the revolution and construction and firmly safeguard, defend, and constantly develop the chuche socialist cause under any difficult and complicated circumstances. It is our people's great pride and honor to have these precious, vital, ideological and mental assets. [applause]

In this significant meeting marking the 40th anniversary of the war victory, I extend utmost honor and warmest thanks to Comrade Kim Il-song, the great leader of our party and people, who defended the country's independence and the nation's sovereignty, and bestowed upon our people the great national dignity and pride of having defeated the imperialist aggressors by leading the fatherland liberation war to a brilliant victory and who is unfolding a brilliant history of miracles and changes in this land by wisely leading our revolution and construction on the single road of victory, with the infinite reverence and burning loyalty of all the people and officers and men of the People's Army. [applause]

Comrades: Today we are faced with the honorable but heavy task to further enhance the superiority of the popular masses-centered socialism of our own style and to brilliantly consummate the chuche revolutionary cause to the end by more vigorously accelerating the revolution and construction on the basis of the already won victory in socialist construction and the struggle for national defense.

The antisocialist maneuvers which the international reactionary forces are perpetrating, taking advantage of the grave situation in which socialism was frustrated and capitalism returned in some socialist countries in recent years, have created new difficulties before our revolution.

Although the road of the revolution that our people have traversed in the past has been grave and arduous, today's difficult situation that we should surmount is also serious and grim. Safeguarding and defending the socialist cause from the international reactionary forces' challenges and further developing the cause is a vital problem related to our revolution's destiny. It is also an important problem related to the prospect of socialism and the future of mankind.

Although the situation of our revolution today is complicated, the prospect of the revolution is optimistic, and our people's socialist cause is invincible. [applause]

While distorting the reality of our country and trying to pressure us, international reactionary forces persistently conduct anti-republic commotions in a bid to isolate and obliterate our republic which is advancing under the banner of socialism. However, it is of no use. No pressure and strong-arm acts [kanggwon haengwi] have any effect on us. Resuming the Team Spirit nuclear war exercise this year in a bid to launch a surprise, preemptive attack against our republic under the pretext of our nonexistent nuclear problem and instigating some circles in the Secretariat and some member states of the International Atomic Energy Agency [IAEA] to raise even the special inspection problem, the United States led the situation to the brink of a touch-and-go war but could not frighten our people who are determined to defend socialism to the end and could not block our advance.

The United States, agreeing [tongui hayo] with our principled and just and fair assertions, recently held talks with us, and adopted a joint statement stipulating mutual respect and nonaggression between the DPRK and the United States. This put an end to the hostile [choktae] DPRK-U.S. relations that lasted for more than 40 years and provided a basis for basically [kunbon-choguro] resolving the nuclear issue. This is a historic event which will contribute not only to the denuclearization of the Korean peninsula but also to peace and security in Asia and the world. [applause]

Regardless of whether the situation will turn favorably or unfavorably in the future, our people will continuously and persistently struggle by upholding the banner of the



chuche idea with such spirit and vigor as was demonstrated in the days of arduous war. Thus, we will repel the pressure and interference of foreign forces and will firmly maintain the chuche-oriented revolutionary principle and the general line of socialist construction of our party, whose justness and vitality have been clearly proven. We will vigorously carry out the struggle to create the speed of general march of our-style socialism in all domains of revolution and construction. Thus, we will expedite the accomplishment of the chuche socialist cause.

The basic key to victory in the struggle to firmly defend and protect the chuche revolutionary cause by effecting a revolutionary upsurge in socialist construction and to carry on to accomplishment the revolution is to more firmly consolidate the singlehearted unity of the whole party and all the people with the leader [suryong] as their center.

The singlehearted unity with the leader as the center constitutes the core of our party's revolutionary tradition and worked as the basic factor for our people and People's Army to win victory in the past fatherland liberation war. [applause]

Today our revolution has been excellently inherited and is developing under the leadership of Comrade Kim Chong-il, our supreme commander who has perfectly embodied the outlook and temperament as the popular leader and who is leading the chuche revolutionary cause to a brilliant victory. [applause]

All the people and officers and men of the People's Army should achieve the singlehearted unity with Comrade Kim Chong-il, our supreme commander, as the center, and should uphold the party's ideas and leadership, just as the anti-Japanese revolutionary fighters and heroic fighters in the fatherland liberation war fought and won victory by upholding the leader [suryong] as the center of their unity and leadership. They should strengthen and develop generation after generation the tradition of the singlehearted unity which was achieved amid the flames of anti-Japanese war and which has been consolidated during the days of arduous war.

For all the people and officers and men of the People's Army to defend, protect, and brilliantly carry on to accomplishment the chuche socialist cause with might of the singlehearted unity between the military and civilians, they should have firm conviction in the revolution's victory and strong will.

All party members, working people, and officers and men of the People's Army must cherish deep in their hearts the lofty truth that as long as the great leader [widaehanyongdoja] stands at the forefront, our revolution will surely be victorious. They must make the loyalty to the party and the leader [suryong] a faith, consciousness, morality, and their daily routine; resolutely safeguard and defend the party and the leader at the risk of their lives in any difficult situation in a political and ideological manner, and become the royal

guards, the shock brigade unit, the guard detachment unit, and the death-defying corp that share their fate with the party.

Along with this, they must strongly arm themselves with the revolutionary and chuche ideas of our party in breathing and acting by obtaining chuche nutrition [yongyangso] at all times and at any place. They must become the chuche-oriented and resolute communist fighters to fight uncompromisingly against the imperialists and various class enemies with a high degree of class consciousness.

It is important to effect a great upsurge in the socialist economic construction, because it is a revolutionary mission to turn the popular masses-centered socialism of our country into a mighty fortress and to display the superiority of the socialism more highly with the might of our politics, ideology, economy, and technology.

All party members and working people must constantly effect a productive upsurge in all sectors of the national economy, including the coal, power, and metal industries, with the indomitable spirits shown during the fatherland liberation war and the revolutionary spirit of self-reliance and fortitude shown during the economic restoration from the ruins after the war and the great upsurge of Chollima. As a result, they must greet this year, a significant year of marking the 40th anniversary of victory in the fatherland liberation war, as a year of victory and glory that will be recorded forever in the history of our fatherland.

All functionaries must always ponder whether they live just like the day when they smashed [chokchida] the enemy by crossing over a river of the flames during the stern fatherland liberation war, or whether they work just like the day when they took up the first shovel to restore (?the fatherland) from the ruins after the war, thus tightening their belts. They must highly display the revolutionary spirit, the party spirit, the spirit of service, and the serve-the people spirit as demanded by the party's slogan "Serve the People." They must fulfill their mission and play their role as the commanding staff of the revolution and true servants of the people.

Our People's Army is a basic force for the defense of our fatherland as well as a reliable defender of the chuche revolutionary cause. The party must thoroughly establish the self-defense military line to strengthen the People's Army and to firmly fortify the country's defensive capacity, because it becomes a firm military guarantee for safeguarding, adhering to, and glorifying the chuche-oriented socialism.

We must firmly adhere to the party's military line featuring the conversion of the entire army into a cadre army, the modernization of the entire army, the arming of the people throughout the country, and the turning of the whole country into a fortress. We must further strengthen and develop our People's Army into the Army of the leader, the party, the revolution, and a-match-for-a-hundred strong army; establish throughout the country



the habit of regarding the military capacity as important; and firmly consolidate the all people-oriented and nation-wide defense system to defend more strongly the socialist fatherland from being attacked by aggressors. No aggressors can randomly take an inch of our land nor even a blade of grass in our Republic.

All officers and men of the People's Army must thoroughly establish the party's leadership system under the slogan of the transformation of the entire army by following the *chuche* idea. They must work together, whether officers or men, and further glorify the sacred and beautiful traits of unity between officers and men.

All officers and men of the People's Army and our people must highly uphold our party's work of unity between the Army and the people. All officers and men of the People's Army must love our people with a spirit of protecting the people's life and property at risk of their lives. On the other hand, our people must love the People's Army as they love their own flesh and blood and sincerely support the army. The army and people must work together as one in the struggle to defend the socialist fatherland and share their fate with each other as well.

War veterans of the fatherland liberation war, who are the core of our party and revolutionary arms, must struggle more devotedly to strengthen and develop the party and the revolutionary armed forces; to enhance our socialist fatherland's prosperity; and to advance the education of the rising generation with spirit and vigor shown during the struggle for the fatherland's liberation and sovereignty.

The fatherland's reunification, as well as the socialist construction, is a patriotic cause related to our nation's destiny and a supreme task that cannot be delayed even for a moment. Bringing an end to the tragedy of the national division, which has continued for almost a half a century, and achieving the country's reunification based on the three major principles of independence, peaceful reunification, and great national unity is all the fellow countrymen's unanimous desire.

The most important thing in achieving the fatherland's reunification is to achieve great national unity. The 10-point program of great unity of the entire nation, which the respected and beloved leader Comrade Kim Il-song has elucidated, is a great charter that reflects our nation's indomitable will to independently resolve the issue of the fatherland's reunification based on the nation's independent strength. This is also a momentous great reunification charter that has opened firm prospects for completing the historic cause of achieving the fatherland's reunification in the 1990's. [applause]

Based on the noble ideals of the 10-point program of great unity of the entire nation, all the compatriots in the North and South and abroad, transcending differences in party affiliations, groupings, political views, and religions, must first of all achieve firm national unity and make their destinies subordinate to the nation's destiny.

Those who have power must make particular contributions to the cause of the fatherland's reunification with power, those who have knowledge must do so with knowledge, and those who have money must do so with money.

To implement the 10-point program of great unity of the entire nation and, thus, hasten the country's reunification based on all fellow countrymen's united strength, both the North and South must maintain the principle of national independence. We have proposed that if the South Korean authorities, as all their fellow countrymen do, aspire for the country's reunification, make bold decisions to assume the position of national independence, abandon their policy of relying on outside forces, express their will to remove the U.S. forces, eternally suspend the joint military exercises with foreign troops, and free themselves from the U.S. nuclear umbrella.

The current situation on the Korean peninsula is developing favorably to the implementation of our country's cause for reunification. We should prepare a decisively favorable situation for realizing the cause of reunification of the fatherland after putting an end to the tragedy of national division by actively promoting the development of the situation.

If they really love the country and the nation and really hope for peace and reunification, the South Korean authorities should cooperate with fellow countrymen, not with outside forces. They should accept our 10-point program of great unity of the whole nation and should realize it with us. Their maneuver that blocks peace and the peaceful reunification of the country by increasing the antagonism and confrontation inside the nation and by aggravating tensions will ruin them.

If the current South Korean authorities [namjoseonui hyondanggukchaduri], as they are doing at present, continuously follow outside forces, consider their fellow countrymen hostile, and lead North-South relations to confrontation and the aggravation of tension, the time will come when they will regret their deeds and take responsibility for the consequences, which may arise from their deeds, before history and the nation.

The South Korean authorities must ponder the grave consequences which their antinational, antireunification crimes may bring and must even now change their policies based on the position of national independence after keenly seeing the trend of the times.

The National Security Law which goes against national unity and reunification should be abolished, and the Agency for National Security Planning should be dissolved. Oppression of patriotic youth, students, and people who have turned up for independence, democracy, and reunification should be brought to an end, and all the people who were unjustly arrested and imprisoned, including political prisoners, should be released.

Although there obstacles and difficulties on the road toward national reunification still exist, the cause of



national reunification, of our people who are advancing on the basis of the principle of national independence, will unfailingly be victorious. [applause]

The socialist cause—the popular masses' cause of independence—is a national cause and at the same time, a common cause for mankind. Strengthening internationalist solidarity and unity in the struggle to achieve the cause of popular masses for independence and to oppose imperialists is an important factor for victory of the socialist cause.

The imperialists' plunderous and aggressive nature absolutely will not change. Struggling against the imperialists' maneuvers of domination, subjugation, aggression, and interference is a priority task in achieving the independence of popular masses.

People of all world countries who safeguard independence should firmly unite by transcending differences in social systems, political views, ideologies, religions, nations, and (?factions). Thus, they should more courageously wage the struggle to defend peace and security of the world against the imperialists' policy of aggression and war.

Our party and people will, as in the past, strengthen militant solidarity with all revolutionary parties and progressive people of the world and will tenaciously defend and protect the socialist cause from the imperialists' antirevolutionary offensive. We will persistently struggle to win victory in the popular masses' cause of independence. [applause]

Our party and the government of the republic will maintain independence in the midst of any situational change under the banner of independence, peace, and friendship, and will remain faithful to the revolutionary principle and to international obligations. We will make all efforts to develop friendship and cooperative relations with people in many world nations, including socialist countries and nonaligned countries, in order to achieve the whole world's independence. [applause]

Our revolutionary cause is just and our people and People's Army, who are vigorously advancing forward with singlehearted unity with the party and the leader by upholding the banner of the chuche idea, will always be victorious by courageously overcoming all difficulties and trials. [applause]

Let us all vigorously fight and advance in firm unity with the party Central Committee headed by the respected Comrade Kim Il-song for victory in the chuche socialist cause and for the independent and peaceful reunification of the nation, as well as for the independence of the whole world. [applause]

Long live Comrade Kim Il-song, the great leader of our party and people! [shouts of hurrah and applause]

Long live the glorious WPK, the organizer and guide to all victories of the Korean people! [shouts of hurrah and applause]

Long live the 40th anniversary of victory in the great fatherland liberation war! [shouts of hurrah and applause]

#### **Leaders Attend Monument Ceremony**

*SK2707004893 Pyongyang Korean Central  
Broadcasting Network in Korean 1200 GMT 26 Jul 93*

[Excerpts] A ceremony for the completion of the monument to the victory in the fatherland liberation war was held in the presence of Comrade Kim Il-song, the great leader of our party and leader. [passage omitted]

Comrade O Chin-u, first vice chairman of the DPRK National Defense Commission and minister of the People's Armed Forces; Comrade Kang Song-san, member of the Political Bureau of the Workers Party of Korea [WPK] Central Committee and premier of the Administration Council; Comrade Choe Kwang, vice chairman of the DPRK National Defense Commission and Chief of the General Staff of the Korean People's Army [KPA]; Comrade Kye Ung-tae, member of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee; Comrade Chon Pyong-ho, member of the DPRK National Defense Commission and secretary of the party Central Committee; Comrade Kim Yong-chu, former vice premier of the Administration Council; Comrade Han Song-yong, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Kim Chol-man, member of the DPRK National Defense Commission; Comrades Choe Tae-pok and Kim Yong-sun, candidate members of the Political Bureau and secretaries of the WPK Central Committee; Comrades Choe Yong-nim, Hong Song-nam and Kim Tal-hyon, candidate members of the Political Bureau of the WPK Central Committee and vice premiers of the Administration Council; Comrades Yi Ul-sol, Chu To-il, Choe In-tok, Paek Hak-nim, Yi Tu-ik, Kim Pong-ul and Kim Kwang-chin, vice marshals of the Korean People's Army [KPA]; Comrades Kim Chung-nin, Yun Ki-pok, So Kwan-hui, Hwang Chang-yop, Kim Ki-nam, Kim Kuk-tae and Pak Nam-ki, secretaries of the WPK Central Committee; Comrades Kim Pok-sin, Kim Yun-hyok, Kim Hwan, and Chang Chol, vice premiers of the Administration Council; Comrade Yang Hyong-sop, chairman of the Supreme People's Assembly; Comrade Chon Mun-sop, chairman of the State Inspection Commission; Kim Pyong-sik, chairman of the Korean Social Democratic Party Central Committee, and Yu Mi-yong, chairman of the Chondoist Chonggu Party Central Committee, attended the ceremony for the completion of the monument. [passage omitted]

#### **Kim Il-song's Brother Attends Activity**

*SK2707065493 Pyongyang Korean Central  
Broadcasting Network in Korean 1300 GMT 26 Jul 93*

[Excerpt] A grand performance "The Song of Wishes" was given at the 8 February Cultural Hall on the evening of 26 July to celebrate the 40th anniversary of the victory in the great fatherland liberation war.



Attending the performance were Comrade O Chin-u, first vice president of the DPRK National Defense Committee and minister of the Ministry of the People's Armed Forces; Comrade Kang Song-san, member of the Political Bureau of the Central Committee of the Workers Party of Korea [WPK] and premier of the State Administration Council; Comrade Pak Song-chol, member of the Political Bureau of the WPK Central Committee and vice president of the DPRK; Comrade Choe Kwang, vice chairman of the DPRK National Defense Committee and chief of General Staff of the Korean People's Army [KPA]; Comrade Kye Ung-tae, member of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee; Comrade Chon Pyong-ho, member of the DPRK National Defense Committee and secretary of the party Central Committee; Comrade Kim Yong-chu, former deputy premier of the State Administration Council; Comrade Han Song-yong, member of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee; Comrade Kim Chol-man, member of the DPRK National Defense Committee; Comrade Choe Tae-pok and Comrade Kim Yong-sun, alternate members of the Political Bureau of the WPK Central Committee and secretaries of the party Central Committee; Comrade Choe Yong-nim, Comrade Hong Song-nam, Comrade Kang Hui-won, and Comrade Kim Tal-hyon, alternate members of the Political Bureau of the WPK Central Committee and deputy premiers of the State Administration Council; Comrade Chu To-il, Comrade Choe In-tok, Comrade Paek Hak-nim, Comrade Yi Tu-ik, and Comrade Kim Pong-yul, KPA vice marshals; Comrade Kim Chung-nin, Comrade Yun Ki-pok, Comrade So Kwan-hui, Comrade Hwang Chang-yop, Comrade Kim Kuk-tae, and Comrade Pak Nam-ki, secretaries of the WPK Central Committee; Comrade Kim Pok-sin, Comrade Kim Yun-hyok, Comrade Kim Hwan, and Comrade Chang Chol, deputy premiers of the State Administration Council; Comrade Yang Hyong-sop, chairman of the Supreme People's Assembly [SPA]; Comrade Chon Mun-sop, chairman of the State Inspection Committee; Kim Pyong-sik, chairman of the Korean Social Democratic Party Central Committee; Yu Mi-yong, chairman of the Chondoist Chongu Party Central Committee.

Invited to the performance were heads of parties, states, and governments of many countries; special envoys of many countries' presidents; military delegations of many countries' parties and governments; members and delegates of many countries' delegations; officials of foreign embassies in the DPRK; and foreign guests. They are on visit to the DPRK in order to participate in congratulatory functions for the 40th anniversary of the victory in the great fatherland liberation war.

Also invited to the performance was Cho Il-min, representative of the South Korean National Democratic Front in Pyongyang.

Overseas Koreans including a congratulatory group of Koreans residing in Japan led by Yi Chin-kyu, first vice

president of the Central Standing Committee of the General Association of Korean Residents in Japan also saw the performance.

Also present at the performance were members and alternate members of the WPK Central Committees; SPA deputies; responsible functionaries of party and government organizations, administrative and economic organizations, and social organizations; KPA generals; anti-Japanese revolutionary fighters; persons of distinguished service of anti-Japanese revolutionary struggle; war veterans; bereaved families of patriotic martyrs; responsible functionaries in domains of science, education, culture, arts, health, and publishing and media; heroes; unassuming persons of distinguished service; standard bearers of three revolutions; veterans; and downtown working people. [passage omitted]

### KCNA Reports Military Parade

SK2707041293 Pyongyang KCNA in English 0403  
GMT 27 Jul 93

[Text] Pyongyang, July 27 (KCNA)—A military parade of military academies of the Korean People's Army at all levels, the Worker-Peasant Red Guards and the Young Red Guards and a demonstration of one million people took place here today to celebrate the 40th anniversary of the victory in the great fatherland liberation war.

The great leader President Kim Il-song and Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, appeared on the platform.

That moment, stormy cheers of "hurrah!" burst forth, thousands of balloons soared into the sky and a salvo of hundreds of guns boomed.

Choe Kwang, vice-chairman of the National Defence Commission of the DPRK and chief of the general staff of the Korean People's Army, made a speech at the military parade.

Columns of Kim Il-song Military University, Kim Il-song Political University and other military academies of the Korean People's Army at different levels, columns of the Korean People's Security Forces and columns of the Worker-Peasant Red Guards and the Young Red Guards went past the rostrum.

Then followed a demonstration of one million people including veterans of the fatherland liberation war and persons of distinguished service.

Citizens of the capital city turned out on to the streets and warmly welcomed the participants in the military parade.



### **Daily Commemorates Anniversary**

*SK2707031693 Pyongyang Korean Central  
Broadcasting Network in Korean 0000 GMT 27 Jul 93*

[NODONG SINMUN 27 July editorial: "Hurrah for the Anniversary of the Great Fatherland Liberation War Victory"]

[Text] Today is the 40th anniversary of victory in the great fatherland liberation war—a significant day of the second liberation—in which our people defended the nation's dignity and sovereignty by repelling the imperialist aggressors.

Upholding the slogans announced by the Workers Party of Korea [WPK] Central Committee on the occasion of the 40th anniversary of war victory, our people vigorously struggled to effect a new upsurge in socialist construction.

Amid the all-people march to generate the speed of the general march of our-style socialism, our revolutionary ranks have been strengthened more than ever before and unprecedented miracles and innovations have been registered in production and construction.

These proud achievements endlessly please our people, and are brilliantly decorating today's great festival.

The 40th anniversary of victory in the fatherland liberation war is a revolutionary holiday and a great festival of chuche Korea to vigorously demonstrate to the entire world the heroic spirit and unswerving will of our party and people who are tenaciously defending and protecting the socialist cause.

Today the singlehearted unity of our party and revolutionary ranks is being strengthened more than ever before. The whole party, all the people and entire army are firmly defending and protecting the chuche socialist cause in firm unity with dear Comrade Kim Chong-il, the great leader [widaehan yongdoja] of our party and people and supreme commander of the Korean People's Army [KPA]. Never has the might of the driving forces of our revolution been as strong as it is today.

The events being held on the occasion of the 40th anniversary of war victory again clearly show that our singlehearted unity in upholding the great leader [yongdoja] does not consist of empty words. For this, the 40th anniversary of victory in the fatherland liberation war can be noted as a great congratulatory event decorating our national history and the history of the revolutionary movement and as a great revolutionary festival that gives firm conviction to the people who are pursuing independence and socialism.

Our people's brilliant victory 40 years ago in the great fatherland liberation war was a historic event with great significance in pioneering our nation's destiny and in promoting the advance movement of the era of independence.

The great leader Comrade Kim Il-song has taught: Our people's victory in the Korean war was a victory of the revolutionary people over imperialist reactionary forces and was a victory of the revolutionary army over the imperialist forces of aggression.

The three-year-long war, which was perpetrated by the imperialists and their stooges, was indeed an arduous trial to our party and people. In this war, we had to wage fierce battles at every step against the allied forces of the global imperialists. However, our people and People's Army excellently fulfilled the grave missions assigned by the era and history by overcoming arduous trials of war under the leadership of the party and the leader.

Our heroic People's Army, founded and disciplined amid the flames of anti-Japanese revolutionary war, gave a severe blow to the enemy in each stage of war by upholding the operational ideas and intention of the respected leader Comrade Kim Il-song, indomitable, ever-victorious and iron-willed commander and uncommon military strategist. Thus, it defended the sacred lands, seas and air of the fatherland by demonstrating the matchless heroic spirit and the spirit of sacrifice.

By cherishing the iron-clad will that as long as we are led by the party and the leader, we will win victory in the war without fail, all of our people courageously fought in firm unity as one and fully demonstrated the heroic spirit as revolutionary people.

Victory in the fatherland liberation war was an event in national history which brought a second liberation to our country and was a brilliant military miracle of the 20th century which highly demonstrated our nation's dignity.

With this victory, national sovereignty restored through the bloody anti-Japanese battle, and gains of the revolution attained during the days of building a new society following national liberation, have been honorably defended.

With the great victory in the fatherland liberation war, our people broke the myth on powerfulness of the U.S. imperialists for the first time and opened the beginning of the road of their decline. Thus, our people gave conviction to the world's revolutionary people that if the people fight without fear by firmly trusting their strength, even if their country is small, they can easily smash the imperialist aggressors.

This is a great achievement made by our party and people in pioneering the era of a new upsurge in the struggle for national liberation and in the anti-imperialist and anti-U.S. struggle, as well as in vigorously promoting the international revolutionary movement.

Even though the time has elapsed and the generations have changed, the feats in war victory our people have effected are shining even more brightly. These feats will



be cherished forever deep in the hearts of the people of our era who are carrying out the revolution.

Our people's victory, which moved the world, was a great victory won by iron will and unswerving faith cherished by the respected leader Comrade Kim Il-song and by his tireless patriotism and a sense of devotion. This victory was a brilliant victory won by the leader's chuche-oriented strategy and tactics and sagacious alchemy.

The great leader Comrade Kim Il-song rescued our nation from the life-or-death crisis and opened a bright future of our revolution by victoriously leading the most arduous 3-year-long revolutionary war. His revolutionary achievements will be immortal and everlasting in the nation's history.

For the past 40 years since the gunfire of the war stopped on this land, our party and people have traversed along the glorious road shining with victory and exploits.

The past 40 years were a brilliant 40 years during which our party and people excellently established popular mass-centered socialism of our own style through arduous struggle, and fully demonstrated its absolute superiority, pulling capacity, and limitless vitality.

After the war, our people had to continue the new socialist life on the miserable wasteland in which everything was destroyed. This struggle, filled with trials, was no less than the revolutionary war to repel the imperialist aggressors.

However, our people, just as in the days of war, vigorously waged the great Chollima march by firmly trusting the respected leader Comrade Kim Il-song, who is leading our revolution at the van, as the pillar of faith. Thus, we brilliantly carried out the historic tasks for the socialist revolution and socialist construction.

Our-style socialism, which our people established through arduous struggle and by tightening up our belt, is now fully displaying indomitable vitality in all domains of politics, economy and culture.

All the people are enjoying independent political activities, abundant material life and sound ideological and cultural life in the bosom of the party and the leader. Our society, a most popular socialism, is constantly developing on the firm basis of independence, self-reliance, and self-defense. This is the true aspect of our style-socialism.

Today our people have entrusted popular mass-centered socialism of our own style with our all destinies. From the might of this socialism, our people can see our own bright future.

The history of the past 40 years is shining as a victorious course in which we firmly defended the nation's dignity and the gains of the revolution against constant maneuvers of aggression of the imperialist enemies.

For the past 40 years, our people have been constantly subject to challenges and threat of aggression by the imperialists who attempted to isolate, suffocate [chilsik] and stifle [apsal] our Republic. The struggle to crush the enemy's vicious maneuvers was the struggle to defend our sacred national sovereignty and at the same time, was a glorious struggle to safeguard dignity of socialism in front of the world's people.

Our party, people, and revolutionary armed forces smashed the antirevolutionary offensive with revolutionary offensive and tenaciously advanced the revolution and construction by standing on the firm position that we cannot concede to anyone the gains of the revolution which blood of our revolutionary martyrs permeated and which contain our precious sweat.

In particular, even under the difficult condition in which socialism was frustrated in many nations and the imperialists' antisocialist maneuvers were concentrated on our country, our people defended and protected the banner of socialism to the end in consistent and acute confrontation with the enemy. This is a heroic feat striking the world with admiration.

The indomitable and heroic spirit demonstrated by our people and our Army in the great fatherland liberation war has been inherited intact amid fierce confrontation with the imperialists that has lasted for scores of years.

The history of the struggle for the past 40 years after the war is brilliantly decorated as an honorable road on which a strong basis has been built to strongly defend our revolutionary cause generation after generation and achieve the nation's boundless prosperity.

The fatherland liberation war started a mere five years after our country had been founded, and our political, economic, and military strengths were still fragile. Forty years have passed since then. Today, our chuche-oriented strength has grown powerful beyond comparison to the prewar period.

Under the dear leader Comrade Kim Chong-il's wise leadership, our party has strengthened and developed into an invincible revolutionary party that has a powerful organizational and ideological basis and confidently leads the revolution and construction. Our revolutionary ranks have become loyal and dutiful ranks that are marching only along the single road to which the party leads them. Also, our revolutionary armed forces have grown into the leader's [suryong] Army, the party's Army, and a powerful one-a-match-for-100 Army that can strongly defend the party, the revolution, the fatherland, and the people under any circumstances.

During the semi-war state, the entire party, all the people, and the entire Army rose up like one, crushed the enemy's movements [chokturui chundongul chitpusugo], and scored great upsurges in economic construction and national defense building. This graphically demonstrates how strong is the might of our chuche-oriented forces which are upholding the dear leader Comrade Kim



Chong-il as the great leader [widaehan yongdoja] of the party and the revolutionary ranks and as the supreme commander of the revolutionary Armed Forces.

We can say very proudly that we can strongly defend the revolution and achieve prosperity for the posterity even if trials greater than those of the days of the war 40 years ago may come.

Our revolution will always have a bright future, as long as there is the wise leadership of Kim Chong-il, who is leading the socialist cause cultivated by the great leader Comrade Kim Il-song to a brilliant victory and as long as there are immortal achievements by the party and the leader.

We have brought about great achievements in revolution and construction. However, our revolutionary cause has not ended yet, and we are on the revolutionary road.

All the party members and workers must not allow even small stagnation or a standstill but vigorously carry out the general forward march of the socialism of our own style and, thus, make decisive turns in revolution and construction.

To strengthen by all means the single-minded unity among our revolutionary ranks, which are united around the great leader [yongdoja], is a firm guarantee for the victorious march of the cause of socialism of our own style.

The great leader and the dear leader Comrade Kim Chong-il are eternal spiritual pillars and hearts [yonwonhan maumui kidung imyo simjangida] to our people.

Our people and people's Armed Forces did not lose their confidence and displayed their incomparable heroism during the days of the stern when bullets of guns and cannon shells were flying. They vigorously walked along the grand road of creativity and change for the past forty years after the war. They could do so because they firmly believed in the greatness of the party and the leader and entrusted all their destinies to their leader [yongdoja].

The firm will that our people cherish deep in their hearts is that if they do not have their leader [suryong] and their leader [chidoja] there will be neither genuine life for them nor for their fatherland.

All party members and the working people should cherish deeper in their hearts today's great honor of greeting the 40th anniversary of the war victory, upholding the respected and beloved leader Comrade Kim Il-song, the legendary hero and the great strategist, who led the two revolutionary wars against the U.S. and Japanese imperialists to the single road of victory and, thus, should uphold the leader's [suryong] ideology and leadership generation after generation.

We should not forget how today's Workers Party era of grandeur and prosperity has been provided under the leadership of the dear leader Comrade Kim Chong-il and how the lifeline of socialism has been defended amid the

fierce political and military confrontation with the enemies and should resolutely safeguard, defend, and uphold to the end our comrade supreme commander wherever and whenever.

All party members and working people should make loyalty to the party and the leader the faith, conscience, morality, and a routine part of life and should share their destinies with the party. Thus, they should more firmly build our revolutionary ranks into a crystallization of single-hearted loyalty and dutifulness. Firmly cherishing the faith in socialism of our own style and effecting a great revolutionary upsurge in socialist construction is a most important task facing us today.

All party members and working people should further step up the struggle to create the speed of the general march of socialism of our own style with the firm faith that defending socialism leads to victory and giving up it leads to death. We should vigorously struggle, bravely surmounting all sorts of difficulties and barriers, in the spirit of crossing burning rivers and walking on muddy roads. Thus, we should adorn this year which marks the 40th anniversary of the war victory as a year of victory effecting a great upsurge in socialist construction.

All sectors of the national economy should fully mobilize all potential of our self-reliant national economy and should concentrate great efforts on improving the people's living.

Self-reliant defense capabilities are the military guarantee for safeguarding, defending, and glorifying socialism. The present situation is still tense and calls for further strengthening our revolutionary armed forces. Officers and men of the People's Army should keep in mind that the leadership of the comrade supreme commander is the life of the revolutionary armed forces and the decisive factor for a victory in army buildup and activity and should see to it that the entire army is filled to overflowing with a revolutionary military discipline of unconditionally and thoroughly implementing the supreme commander's order and becoming rifles and bombs to resolutely safeguard and defend the party and the leader.

We should thoroughly continue to implement the policy of converting the entire army into a cadre army, modernizing the entire army, arming all of the people, and making the whole country a fortress and, thus strengthen the country's defense capability by all means. Thus, we should smash at every stage the enemies' maneuvers to obliterate our socialism.

By thoroughly embodying the ideology of unity between the army and the people we should see to it that the laudable custom of unity between the army and the people which is being highly enhanced in our society today is brought into fuller bloom and that the ethos of attaching importance to the military prevail in our society. War veterans who participated in the fatherland liberation war are the core elements of our party and the



revolutionary armed forces. They are also vanguard fighters of the socialist cause.

All war veterans should, as they vowed at the National Conference of War Veterans, actively contribute to strengthening and developing our party and the revolutionary armed forces and to achieving grandeur and prosperity of our socialist fatherland by displaying the spirit and mettle with which they shed blood and fought.

National reunification is a patriotic cause related to our nation's destiny. It is also the supreme national task which should not be delayed even for a moment. All Korean compatriots in the North, the South, and overseas, by vigorously struggling to link the severed national bloodline and to realize the nation's sovereignty on a nationwide scale at the earliest possible date, should reunify the country in the 1990's without fail and hand down a reunified fatherland to our next generations.

The first, the second, and the third important thing in achieving the cause of national reunification is for our nation to achieve great unity. Political parties, groups, and compatriots of all strata in the North, the South, and overseas should participate as one in the struggle to realize the 10-point program for great unity of the whole nation. All people should make a contribution to the cause of national reunification in accordance with the specific circumstances and conditions of their own strength, knowledge, and property.

Today our struggle has become a more rewarding one, and a bright vista is open before us. Our people who are firmly united as one around the great iron-will commander will win victory in the arduous struggle for socialism in the future, too, as they defeated the brutal enemies 40 years ago and, thus, will vigorously maintain the lifeline of our revolution.

Let all of us firmly rally around the party Central Committee headed by the respected and beloved leader Comrade Kim Il-song and vigorously struggle to consummate the *chuche* revolutionary cause and to expedite the independent reunification of the country.

Long live the 40th anniversary of the victory of the great fatherland liberation war.

#### **Editorials View Anniversary**

*SK2707054993 Pyongyang KCNA in English 0526 GMT 27 Jul 93*

**["Editorials on War Victory Day"—KCNA headline]**

**[Text]** Pyongyang, July 27 (KCNA)—Papers here today dedicate editorials to the 40th anniversary of the victory of the Korean people in the great fatherland liberation war (July 27, 1953), the day of the second liberation on which our people defended the dignity and sovereignty of the nation, repulsing the imperialists' aggression.

The editorial of NODONG SINMUN says the 40th anniversary of the victory in the fatherland liberation

war is a revolutionary fete powerfully demonstrating to the whole world the heroic stamina and indomitable will of our party and people which are firmly defending the socialist cause and a great auspicious event of *chuche* Korea.

It quotes the great leader Comrade Kim Il-song as saying:

"The victory of our people in the Korean war was a victory of the revolutionary people over the imperialist reactionary forces, a victory of the revolutionary army over the aggressive Armed Forces of imperialism."

The editorial further says:

The victory in the war was a national-historic event which brought the second liberation to our nation and a brilliant military miracle of the 20th century which highly displayed the dignity of our nation. With the great victory in the war, our people became the first in history to smash the myth about the "mightiness" of the U.S. imperialists and started them on the downhill, and inspired the world revolutionary people with the conviction that the people of a small country can surely defeat the imperialist aggressors when they undauntedly fight, firmly believing in their own strength.

Our victory which startled the world was a great victory brought by the iron will, indomitable faith and tireless patriotic devotion of the respected leader Comrade Kim Il-song and a shining victory of his *chuche*-based strategy and tactics, war methods and superb commanding art.

The past 40-year history is a course of victory in which our people have firmly defended the dignity of the nation and the gains of revolution from the ceaseless aggressive moves of the imperialist enemy and a course of glory in which a solid guarantee has been created to firmly safeguard our cause of revolution generation after generation and achieve the endless prosperity of the nation.

Today, with the lapse of 40 years, our internal forces have been strengthened beyond comparison as against these in the pre-war period.

Under the wise guidance of the dear leader Comrade Kim Chong-il our party has been strengthened and developed into an invincible revolutionary party which is confidently leading the revolution and construction with firm organisational and ideological foundations and our revolutionary ranks have become loyal and filial ranks which advance along the road only led by the party. And our revolutionary Armed Forces have grown to be an army of the leader, an army of the party and a strong match-for-a-hundred army which can firmly defend the party and revolution, the country and the people under any circumstances.

Only a bright future will always be open on the road of our revolution as long as there are the wise guidance of the dear leader Comrade Kim Chong-il who is leading to a brilliant victory the socialist cause pioneered by the



great leader Comrade Kim Il-song and the undying feats performed by the party and the leader.

MINJU CHOSON stresses that the socialist cause of our style which is advancing under the wise guidance of the illustrious leader will make a long drive always in the future as in the past and our socialist country will prosper and develop endlessly and demonstrate its dignity and honor.

#### **Radio Reports South Fires at Outpost in DMZ**

*SK2307140993 Pyongyang Korean Central  
Broadcasting Network in Korean 1330 GMT 23 Jul 93*

[Text] The South Korean puppets fired a large-caliber machine gun in the Demilitarized Zone [DMZ] at our side's outpost, thus committing a grave military provocation.

The South Korean puppets fired 10-odd rounds from a large-caliber machine gun at our side's outpost in the DMZ area in the central frontline. Thus, they committed a grave military provocation.

At around 1440 [0540 GMT] today, the armed hooligans of the South Korean puppet army secretly dragged a 12.7-mm large-caliber machine gun into the area within the DMZ south of Mt. Osong in the central frontline, and fired it at the outpost of our side's civil police in the opposite side by aiming at the outpost.

Because of the reckless gun firing by armed hooligans of the puppet army, members of our civil police, who were carrying out routine missions, felt a serious threat to their safety.

Such a military provocation by the South Korean puppets is a premeditated provocation maneuver to instigate the North-South confrontation and to artificially aggravate the situation.

Our people and People's Army are keenly watching with vigilance the military provocations recently committed one after another by the South Korean puppets on the sea and in the DMZ in the Military Demarcation Line, as well as the situation intentionally aggravated by them.

If the South Korean puppets traverse along the road of aggravating tension between the North and the South and of instigating confrontation defying our warning, they will be held totally responsible for grave consequences arising therefrom.

The South Korean puppets should look straight at the reality and should act with discretion.

#### **KCNA Denies Report on Soldiers Defecting to PRC**

*SK2707112193 Pyongyang KCNA in English 1112  
GMT 27 Jul 93*

[Text] Pyongyang, July 27 (KCNA)—The South Korean YONHAP News Agency recently floated a false report that "soldiers of the People's Army of the North defected to China".

This is a totally unfounded propaganda. This is a deliberate plot to mar the image of the Democratic People's Republic of Korea and a base act to provoke the North. It is the reality of the North that the leader, the party, and the popular masses are singleheartedly united, the unity between the army and people is being strengthened day by day and soldiers of the People's Army are performing brilliant feats at the posts of national defense and socialist construction.

Under this situation, it is quite unthinkable and nonsensical for soldiers of the People's Army to "defect" to a foreign country.

The sheer false report about the "defection of the People's Army" spread by the South Korean paid propaganda machine is a dastardly one that invites anger of people.

This fabrication of the South Korean authorities against the North will render the confrontation between the North and the South more acute and result in creating an artificial difficulty in dialogue now on the order of the day.

#### **Kim Il-song, PLO's 'Arafat Hold Talks 26 Jul**

*SK2607160893 Pyongyang KCNA in English 1549  
GMT 26 Jul 93*

[Text] Pyongyang, July 26 (KCNA)—Talks were held here today between Comrade Kim Il-song, general secretary of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and president of the Democratic People's Republic of Korea, and Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organization and commander-in-chief of the Palestinian Revolutionary Armed Forces.

Present at the talks on the Korean side were Pak Song-chol, member of the Political Bureau of the C.C., WPK and vice-president of the DPRK; Kim Yong-nam, Politburo Member of the C.C., WPK, vice-premier of the Administration Council and foreign minister; Kang Hui-won, alternate Politburo member of the C.C., WPK and vice-premier of the Administration Council; and General of the Korean People's Army Yi Pyong-uk.

On the Palestinian side were members of the delegation Hani al-Hasan, member of the Central Committee of the Palestine National Liberation Movement, head of the Foreign Relations Department of the movement and



Political advisor to the president; Saqr Habash, member of the Central Committee of the Palestine National Liberation Movement; Bakkar 'Abd-al-Mun'im, member of the Revolutionary Council of the Palestine National Liberation Movement and PLO representative to Japan; Ibrahim Muhammad, Palestinian ambassador E.P. [extraordinary and plenipotentiary] to Korea; and other suite members.

The talks proceeded in a sincere and friendly atmosphere.

#### \* Pyongyang Pushing Oil Field Development

932C0168A Seoul SISA JOURNAL in Korean  
20 May 93 pp 56-58

[By correspondent Nam Yu-chol]

[Text] North Korea not only secured a new oil supply line recently but also is in energetic contacts with Western oil companies for oil field development, it has been confirmed. It has been suffering from an oil crunch so severe that it was unable even to conduct military training as much as it wished. However, Pyongyang recently signed new contracts with Indonesia and Iran, and for the shipment of oil from these countries, it purchased a 200,000-ton-class tanker despite its current foreign exchange shortage. The recent disclosures to SISA JOURNAL came from informed sources in Singapore familiar with North Korea's moves.

North Korea succeeded in February in signing with Sweden's Taurus Petroleum AB a contract on full-scale oil field development in the western sea. Besides the project in the western sea region where the possibility of oil discovery is considered highest, North Korea, according to Singapore sources familiar with oil trade, is continuing its attempt to get in contact with Western oil firms on explorations in the eastern sea and the Kilju-Myonchon region, a promising inland region.

North Korea has been suffering from an extreme oil shortage since the supply was either suspended or cut back by China and Russia. U.S. Secretary of State Warren Christopher told Congress sometime ago that economic sanctions against North Korea would be tantamount to cutting off crude oil and food supplies. However, an influential Singapore broker, who maintains trading channels with the highest group in North Korea, disclosed that North Korean Vice Premier Kim Tal-hyon had recently visited Indonesia, and that military leaders including the chief of staff visited Iran about the same time. "All their visits had something to do with oil supply," he said in an interview with this reporter in Singapore.

Meanwhile, another informed source said that "I understand that a contract was signed by which Indonesia will supply 1 million tons annually" Many informed sources in Singapore insist that Indonesia has emerged as a new oil supplier to North Korea. In this connection, however,

a public information officer at the Indonesian embassy in Seoul merely said that he "knows nothing about it."

Regarding North Korea's new moves, a Western diplomat stationed in Seoul said that "North Korea seems to believe that it can endure whatever sanctions imposed under the U.S. initiative if only it has oil." It is uncertain if Iran, which holds on to its anti-U.S. doctrine, and Indonesia, a leader of the nonaligned movement, will take positive part in the possible future UN economic sanctions against North Korea.

An informed source in Singapore familiar with oil trade asserted that "as North Korea's oil situation worsened, entrepreneurs willing to sell oil to North Korea converged here. North Korea has been procuring far more crude than its imports publicly known internationally." North Korea appears to be supplying weapons to Iran and Indonesia in lieu of payment for the crude. However, an informed Western diplomatic source commented that "weapons made in North Korea are poor in quality and, therefore, that type of trade can hardly last on a long-term basis."

North Korea carried out a basic geophysical exploration on the eastern coast for the first time in 1964 with the assistance of the former Soviet Union. It has not since given up its oil field development effort. However, the project, details of which have been largely unknown to other countries, not to mention South Korea, produced no significant results due to technological and funding difficulties. After several trials, North Korea succeeded in 1989 in discovering an oil well of approximately 425 barrels a day at a place 50 kilometers north of the truce line. (See "Annual Report of North Korean Oil Field Development")

Western businesses hesitated to set up operations in North Korea for the uncertain profitability and for North Korea's isolation from international communities. The Asia region chief of France's Total Exploration, (Robert File), who visited Pyongyang early last year as one of the representatives of six Western companies, which included Australia's BHP, said that "the reason we decided not to invest in North Korea was that we determined that finding an oil field with economic efficiency was difficult." In an interview with this reporter in Singapore, in which he allowed himself to be quoted by name, he disclosed that "at that time, flaws in the North Korean laws also became problems but they were not a decisive reason."

However, the president of Taurus, (Klaus Regeheim), who recently decided to embark on full-scale oil field development in North Korea, was optimistic in his view. The Taurus president, who acquired the offshore drilling right for a western sea zone 11,000 kilometers from North Korea in late February, insisted that "the possibility of discovering oil in North Korea's western sea region is very high." He disclosed it for the first time in a telephone interview with SISA JOURNAL after he signed the contract. He said: "With oil development



projects, there always are conflicting views about the possibility of success. But nobody can be perfectly sure about it before the drilling is done. That is the nature of the oil field business."

"For three months after the start of our talks with North Korea in November last year," he emphasized, "we studied elastic-wave exploration data many times." What he meant to say was that he was very optimistic. The sea zone to be worked on by Taurus is a promising area where the North Koreans themselves carried out drilling on several occasions. Taurus plans to put North Korea-provided elastic-wave exploration data to further analyses in London. It is said that larger and more accurate information can be thus obtained thanks to the development of new technology in the analysis of such data. The Taurus president disclosed that his company plans to embark on full-scale drilling following the completion of data analyzing work which will take about two years.

The president of a major Swedish firm which is engaged in a resources development project in Russia said that "for setting up operations in North Korea, now is the best time." He said that he is "discussing with North Korean authorities plans to export crude found in Russia to other countries through a North Korean port like Sonbong. We also have plans for positive investment in North Korea's oil field development project." The Swedish entrepreneur, who met with this reporter in Singapore just before his departure to North Korea, disclosed that "in case Russia gets its Siberia development program going, it will have to use North Korean ports. There are plans to build temporary storage facilities in Sonbong for Russian crude." This businessman who asked that he and his firm not be identified by name also said that when port facilities are completed, part of the crude found in Russia can be supplied to North Korea.

Sweden and North Korea maintain vigorous economic exchanges as seen in their building of a shipyard as a joint venture. The Swedish embassy in Seoul explained that the reason for Swedish enterprises being so active for North Korean deals is that they are striving to have North Korea settle its huge debts to Sweden. First Secretary (Ulf Soromaruk) revealed that "as of now, North Korea owes Sweden 120 billion won. It had said that it would pay up by March this year but again the promise was not kept." "Those joint ventures are on as one of the ways to have the debts settled," he stressed, "but it is not that the Swedish Government is encouraging them, after all."

In case Swedish enterprises invest in North Korea, Pyongyang offers support for it in the form of repaying its debt. In Taurus' case, however, its president made it clear that his investment has nothing to do with such debt repayment issues. Taurus was founded in 1988 by those who had worked as oil field development engineers for major oil companies. "We are a small company unable to match big firms in funding. That is why our

preference is for politically risky spots like Cuba and North Korea," the Taurus president said, adding that "we are hoping for joint investments by South Korean firms interested."

Dr. James Ross, chief of the Singapore branch of GCA (Gaffney, Cline & Associates), a world-renown oil business consulting firm, explained that "oil firms that have been participating in North Korea's oil field development program are all small ones. Those firms, unable to compete with major companies in more promising areas, have no alternatives but to be adventuristic and go into those risky spots." In reference to the possibility of finding oil in North Korea, he noted that "it would be imprudent of me to comment on possible oil deposits of a country. However advanced science may become, oil drilling is a gamble. Nobody knows until the drilling is done."

Dr. Ross, an oil field development specialist himself, said that "at least it is clear that there is oil in North Korea. But it remains to be seen if a major oil company with financial resources will show interest in it." "In Taurus' case, too, it is highly possible that it will encounter funding difficulties if the project gets going," he noted, adding: "The reason that major Western oil companies persistently maintain their interests in North Korea is that by nature, oil businesses would basically never miss any opportunities. The concerns of oil firms are terms of contract, laws, and tax problems, but not political risks."

According to experts, it is difficult to draw a conclusion from a study of geological makeup alone. While the prevailing view is that it is difficult to find major oil fields in North Korea, foreign experts see the possibility as much higher than that offered by South Korea's continental shelf. Dr. Mark Valencia, senior researcher of the U.S. East-West Center said, "I don't see the possibility of finding an economically promising oil field in North Korea as high. Nevertheless, it is much higher than what the South Korean continental shelf offers."

Virtually nothing is known in South Korea about oil field development in North Korea. Even that which is known to a handful of specialists is of an extremely limited level. Because of the isolation, even a basic exploration effort in North Korea would likely be magnified into rumors, such as that "North Korea has discovered a big oil field." Dr. Valencia pointed out that "to experts, it is not 'news' that some North Korean regions have promising oil deposits. It could be, however, 'fresh news' to the general public in South Korea."

According to information gathered from experts overseas, it was in 1964 when North Korea carried out its first geophysical exploration in its western sea region. It was carried out as its own project, with technical assistance of the Soviets. Then, in 1987, Iran's LPP and Australia's Meridian Oil NL acquired the drilling rights for a western sea zone of 22,600 square meters. They were the first to obtain such rights from North Korea.



These two firms have been analyzing till today data obtained by Norway's GECO from an elastic-wave exploration which it carried out in the early 1980's together with North Korean authorities. The initial four-year contract was "extended as a result of consultations with North Korean authorities," said Peter Wood, spokesman for Meridian, in a telephone interview. According to him, LPP's share, as the main managing firm is 92%, and the Meridian's 8%. According to information gathered by oil business consultant firms in Singapore, LPP and Meridian plan to either conduct another elastic-wave exploration or embark on direct drilling in the most promising spots within this year. To finance the project, LPP is looking for new investors and it appears that some South Korean conglomerates attempted to get in touch with it.

Dr. Valencia, interested in international cooperation for marine resources development in the Far East, has been insisting that North and South Korea should cooperate positively in oil field development. In an article he contributed to SISA JOURNAL dated 31 December last year, he said that "if South Korea's technology and capital are used to develop North Korea's natural resources, it will prove to be the best example of North-South cooperation." It remains to be seen, however, if the energy field will prove to be the first field of cooperation for reunification as Dr. Valencia wished it to be.

### South Korea

#### Two U.S. F-16 Planes Collide in Exercise

SK2707084493 Seoul YONHAP in English 0831 GMT  
27 Jul 93

[Text] Seoul, July 27 (YONHAP)—Two U.S. Air Force F-16s collided during a training exercise at Kunsan Air Base at around 3:40 P.M. Tuesday, leaving one pilot injured and one missing. One of the jets was taking off when it was rammed in the back by the second fighter that was landing, a U.S. military spokesman said.

#### Collision Injures 2 Pilots

SK2707091693 Seoul YONHAP in English 0907 GMT  
27 Jul 93

[Text] Kunsan, July 27 (YONHAP)—Two U.S. Air Force fighter-bombers collided at the runway of the Kunsan Air Base around 3:33 P.M. Tuesday. The pilots of the one-seat F-16's made emergency escapes. But both were injured and taken to the base hospital. The collision occurred when an F-16 trying to land on the runway near the southern guardpost of the Kunsan Base rammed into another F-16 on standby for take-off.

Both planes, which belonged to the U.S. Air Force eighth tactical wing, were destroyed in an ensuing fire. Because of the accident, the Kunsan Airport was closed to suspend regular civil flights between Kunsan-Seoul and

between Kunsan and Cheju. Meanwhile, a news release from the Seventh U.S. Air Force in Osan said the conditions of the pilots were not known as of 5:20 P.M.

#### Pilot Found Dead in Cockpit

SK2707110693 Seoul YONHAP in English 1053 GMT  
27 Jul 93

[Text] Kunsan, July 27 (YONHAP)—One of the two pilots of the U.S. Air Force F-16 fighter-bombers involved in a runway collision at the Kunsan Air Base on Tuesday afternoon was found dead in his burned cockpit [YONHAP at 0903 GMT on 27 July indicated both pilots were injured and taken to the base hospital].

The pilot was earlier reported as missing in the collision that occurred around 3:30 P.M. when a landing F-16 crashed into another F-16 on standby for take-off.

The other pilot made an emergency escape and was taken to the base hospital.

#### Pilot Mistake May Be Cause of Asiana Plane Crash

SK2607134293 Seoul YONHAP in English 1322 GMT  
26 Jul 93

[Text] Haenam, South Korea, July 26 (YONHAP)—A navigation blunder on the part of the pilot, rather than any mechanical trouble, seems to have been the cause of the crash of an Asiana airliner near Mokpo, a southwestern port city, on Monday afternoon. Two surviving stewardesses said that the plane crashed with a thunderous noise about 10 seconds after they heard the landing gears pull out of the gear box.

Pak Chin-a, one of the two, said she understood a steward had received an interphone message from the captain immediately before the crash that the plane would land very soon. An aviation expert said their remarks substantiate the likelihood that the plane crashed due to the pilot's error coupled with poor visibility.

Meanwhile, the Central Meteorological Service said a strong gale of 10.3 meters per second struck the Mokpo area around 3:47 P.M. when the Asiana plane is believed to have crashed. A heavy downpour of nine millimeters also pounded the area from 3:10 P.M. through 3:43 P.M., because of which rainy clouds that are normally 600 to 1,000 meters above the ground hovered as low as 300 meters, a weatherman said.

#### 66 Dead, 44 Survivors Confirmed

SK2607234893 Seoul YONHAP in English 2322 GMT  
26 Jul 93

[Text] Seoul, July 27 (YONHAP)—The Asiana Airlines Boeing 737 that crashed near Mokpo, Southern Korea, Monday afternoon was carrying 110 passengers and crewmen, four more than it has been announced, the



Transportation Ministry said Tuesday. Chong Chong-hwan, director of the civil aviation bureau of the ministry, said officials have found that four small children had not been listed in the passenger list. As of 5 AM Tuesday, 44 passengers and crew members were found to have survived and 66 others have perished in the crash of the Asiana jetliner in a rain storm Monday afternoon, the officials said.

#### **Seoul, Taipei Establish 'Unofficial Ties'**

SK2707014993 Seoul YONHAP in English 0056 GMT  
27 Jul 93

[Text] Seoul, July 27 (YONHAP)—South Korea and Taiwan announced the establishment of unofficial ties Tuesday to replace formal relations, severed nearly a year ago. A statement issued jointly by the two sides says that they will exchange missions to promote economic, trade and cultural exchanges. They have agreed not to reveal the contents of the agreement, but sources said it includes handing over Taiwan's diplomatic property to China.

Ownership of other Taiwanese Government assets in Korea, primarily school properties in Seoul and other cities, will be decided in direct negotiations between Beijing and Taipei, the sources said. Although the new relations are unofficial, in content they are close to full diplomatic ties. South Korea is the first country to ink a formal agreement on opening informal ties with Taiwan.

Unlike other countries, the two sides will exchange "missions" instead of "representatives," adding a more official tone to the offices. They also agreed not to specify which institute will be sending employees to the mission, allowing the two sides to dispatch staff from their foreign ministries.

Seoul and Taipei cut the diplomatic knot on Aug. 24 last year, when South Korea normalized ties with China and accepted its one-China policy. Talks since then were deadlocked because of Taiwan's insistence that it be called the "Republic of China" and be allowed to keep all of its government assets in Korea.

Taiwan conceded, agreeing to set up an office in Seoul as a "Taipei mission" while Seoul opens a "South Korean mission in Taipei." A breakthrough was made when Taiwan sent Vice Foreign Minister Fang Chin-yen to Seoul earlier this month, and the agreement was signed after last-minute working negotiations in the Japanese city of Osaka between ambassadors-at-large.

The working negotiations were stalled over disagreement on the status of some 3,000 South Korean residents in Taiwan, but Taipei agreed they could keep the same status as before the diplomatic divorce. With the agreement, the two sides will replace 12 government-signed pacts with private ones. The employees of the mission will be given almost the same privileges and immunities as diplomats, including identifiable license plates and identification cards.

#### **DPRK Said To Export Midget Submarines to Iran** SK2707012093 Seoul CHOSON ILBO in Korean 27 Jul 93 p 7

[YONHAP report from Cairo]

[Text] Egyptian sources said on 27 July that North Korea exported eight midget-level small submarines to Iran last year. According to sources, North Korea has also decided to produce another 25 midget-level submarines in the future in cooperation with Iran. For this project, Iran will take charge of the financial issue [chaejongul tamdang] while North Korea provides the technology.

The source said: The reason for the Iranian Government's import of North Korean-made small submarines is the fact that the water in the Gulf area is only 86 meters deep, and that large submarines cannot be operated in those waters. The observers predict that the security of the Arabic countries will be seriously threatened if Iran possesses a great many submarines.

#### **Kim Il-song's Brother Appears Following Absence**

SK2707023493 Seoul CHOSON ILBO in Korean 27 Jul 93 p 7

[NAEWOE from Seoul]

[Text] Kim Yong-chu, brother of Kim Il-song, who suddenly disappeared from the power arena after his appointment as successor to Kim Il-song—which preceded Kim Chong-il's being appointed as the official successor—attended an official meeting held in North Korea on 26 July. He attended this meeting 17 years after he disappeared from the power arena. It is therefore very significant for his future movement and the background for his return to the political arena.

The North Korean Central Broadcasting Network reported on 26 July that Kim Yong-chu attended a ceremony for the completion of the monument to the victory in the fatherland liberation war held in Pyongyang that day along with high-level party and government cadres, including Kim Il-song and Kim Chong-il.

The announcer introduced the list of participants in the ceremony, such as members of the political bureau of the party Central Committee, including Kim Il-song and Kim Chong-il, and called Kim Yong-chu "former vice premier of the State Administration Council" listing him between Chon Pyong-ho (party secretary), No. 10 in the party hierarchy, and Han Song-yong (party secretary), No. 11 in the party hierarchy.

#### **Brother's Background Detailed**

SK2707061493 Seoul YONHAP in English 0602 GMT  
27 Jul 93

[Text] Seoul, July 27 (YONHAP)—North Korean President Kim Il-song's younger brother, Kim Yong-chu, made his first official appearance in 18 years on



Monday, NAEWOE PRESS reported on Tuesday. Kim Yong-chu was regarded as a potential successor to his brother until Kim Chong-il, Kim Il-song's first son, replaced him in the 1970s. He disappeared from official view after attending a meeting of the Supreme People's Assembly in April 1975.

NAEWOE, Seoul's official North Korea watcher, quoted Pyongyang's Korean Central Broadcasting Station as saying that Kim Yong-chu attended a ceremony to build a tower for victory in the "fatherland liberation war" and attended a concert at the February 8 Cultural Center. In listing the names of senior officials, North Korea's official mouthpiece referred to Kim as a "former vice premier of the Administration Council" and listed him between 10th ranking Workers Party official Kim Pyong-ho and 11th ranking official Han Song-ryong.

Kim was named to the party central committee in 1961 and became director of organization and guidance in 1962. He was elevated to secretary and alternate politburo member in 1966. He became full politburo member in 1970, when he was seen as the successor to his brother, but he suddenly vanished from the official scene in 1975.

#### **Daily Views DPRK's 'Breach' of Geneva Accord**

*SK2707034693 Seoul THE KOREA HERALD in English 27 Jul 93 p 6*

[Editorial: "A Breach of Nuke Accord"]

[Text] As far as resistance to the international community on nuclear development is concerned, Iraq only comes a poor second to North Korea. U.N. inspectors arrived in Iraq last week for a routine check of nuclear sites after Baghdad confirmed it had backed down on its latest standoff with the West over its weapons program.

Pyongyang has been much more defiant and reluctant to submit its suspected nuclear sites to outside inspections, feeding the suspicion that it is engaging in secret weapons development in violation of the Nuclear Non-proliferation Treaty [NPT]. Baghdad, of course, did not go to the extreme of threatening to withdraw from the treaty.

It was only last week that North Korea agreed with the United States to start working for the return of inspectors from the International Atomic Energy Agency to the disputed nuclear facilities. Even before the ink was dry on the paper signed at the laborious Geneva talks, North Korea began to talk nonsense and make one-sided claims to contradict the spirit and letter of the bilateral agreement.

During the Geneva meeting, Pyongyang had proposed that it replace its graphite-moderated reactors with light-water-moderated reactors in a transition to a nuclear program for civil use. Toward that end, Washington promised to help cash-strapped North Korea acquire the new and less-threatening nuclear reactors.

The joint press statement at the time said the support would be held until North Korea fulfilled its obligations under the NPT and an inter-Korean denuclearization agreement. However, North Korea last weekend said that it will not allow the U.N. watchdog to inspect its nuclear sites until the help is forthcoming. As a matter of fact, Pyongyang is putting the cart before the horse by claiming the American aid before returning to the nuclear safeguard accord under the NPT. This is a preposterous reversal of preconditions and an outright breach of the Geneva agreement.

Immediate negotiations with the IAEA for resumption of the international inspections are the sine qua non of the enforcement of any bilateral or multilateral accord North Korea has entered into. Moreover, the promised U.S. aid will not appear overnight but will take time to put into effect. An attempt to make the dictate of urgent nuclear inspections conditional upon such a long-term program is most illogical. Withdrawal of the unjustifiable and farfetched demand by North Korea is essential to the resolution of the nuclear hassle of its own making.

#### **Minister: Nuclear Issue Priority in North Talks**

*SK2307032093 Seoul YONHAP in English 0253 GMT 23 Jul 93*

[Text] Seoul, July 23 (YONHAP)—Vice Unification Minister Song Yong-dae said Friday that the government will seek to resume inter-Korean dialogue soon, but only after solving North Korea's nuclear issue first. This was decided at a high-level strategy meeting of unification issue-related ministers that Prime Minister Hwang In-song called at his official residence in the morning.

Under the decision, the government will positively respond to North Korea's offer to exchange special envoys for discussion of the nuclear issue as the No. 1 agenda item, but oppose an exchange for discussion of a summit meeting only. Depending on the outcome of North Korea's negotiations with the International Atomic Energy Agency about international inspections of suspected nuclear sites in North Korea, the government may first propose to North Korea that inter-Korean dialogue, suspended since January, be resumed.

Song said requisites to a complete solution of the nuclear issue included not only North Korea's implementation of the joint South-North declaration for a nuclear free Korean peninsula but also mutual nuclear inspections of South and North Korea. For the mutual nuclear inspections, the Joint Nuclear Control Commission must be put back into operation, he added.

#### **Seoul Plans To Propose Water Pact With North**

*SK2107090393 Seoul YONHAP in English 0850 GMT 21 Jul 93*

[Text] Seoul, July 21 (YONHAP)—The government plans to propose to North Korea the conclusion of an inter-Korean agreement on peaceful use of water with a



view to keeping both sides from using water resources as an offensive means against each other. "It is important for the two Koreas to pledge they would use water resources only for peaceful means in order to dispel mutual distrust with regard to water and to prevent waste of resources in the construction of unnecessary dams," a senior government official said on Wednesday.

The official said that although the Chon Tu-hwan government's reaction against the North's Kumsangsan Dam is said to have been too hypersensitive, it is true that if North Korea builds large dams in the upstream areas of the Pukhan and Imjin Rivers, it would pose a threat to the security of South Korea. He said the Seoul Government intends to propose an inter-Korean agreement for use of water for peaceful purposes only when the South-North dialogue resumes.

On the Kumsangsan Dam against which the Chon administration built a counter-dam called "Peace Dam," construction of which has often been denounced as being politically motivated, the official said it is true the dam, in a sense, poses a threat to the South. "If North Korea opens the flood gate of the Kumsangsan Dam during heavy rains, it would do damage to some Southern areas," the official said.

#### **Russia Said To Restrict Travel to DPRK**

SK2707033493 Seoul HANGUK ILBO in Korean  
27 Jul 93 p 2

[By correspondent Yi Chang-hun from Moscow]

[Text] On 26 July, the Russian Government asked its people to refrain from traveling to North Korea individually. Boris Kustovskiy, vice spokesman for the Russian Foreign Ministry, said: For the time being, Russia cannot but regard North Korea as a country in which the safety of Russian people can not be guaranteed. It is therefore desirable for Russians to restrict travel to North Korea. Concerning the violence committed by North Koreans against the Russian people in Nampo on 4 July, the Russian Government has officially demanded North Korea's apology and compensation for its damage.

#### **Seoul, Moscow Said To Hold Aviation Talks in Sep**

SK2607053593 Seoul YONHAP in English 0010 GMT  
26 Jul 93

[Text] Seoul, July 26 (YONHAP)—Civil aviation talks between South Korea and Russia are expected to be held in Moscow in September, South Korean Government sources said Monday. The Transportation Ministry said that Russia had unofficially proposed to the Seoul Government they revise the civil aviation agreement signed by the South Korean and Soviet Union Governments in May 1991.

The Seoul bureau chief of Russian flag-carrier Aeroflot, who relayed the Russian proposal, had suggested that the talks be for three days from Sept. 20, ministry sources said. The ministry could not officially confirm the proposal but had begun to study the possibility of holding the talks, the sources said.

The sources said the South Korean side did not feel the need for changing details of the current agreement since passenger demand on Korean Air's (KAL) European flights via Moscow and a chartered service to Khabarovsk had not changed a great deal. The main topic of discussion at the talks, therefore, would be problems related to changing the name from the Soviet Union to Russia, the sources said.

#### **AT&T To Compete for Telephone Switch Contracts**

SK2707034393 Seoul THE KOREA HERALD in English  
27 Jul 93 p 3

[By staff correspondent Choe Sang-hun]

[Text] Backed by Washington's pressure for market opening, a leading U.S. telecommunications equipment maker is adding some turbulence to the South Korean telephone exchange market, which has been shared exclusively by four domestic firms. American Telephone and Telegraph [AT&T] will compete for telephone switch contracts due to be put up for bids Aug. 10 by Korea Telecom, the state-funded telephone carrier, government officials said yesterday.

The August contracts, worth some 75 billion won, will mark the first time any U.S. firm will try to sell its products directly to the South Korean telephone switching market. Bowing to mounting pressure from Washington to open its telecoms market, the Seoul government agreed in April to allow AT&T to compete for what could amount to 200 billion won a year in contracts for providing Korea Telecom with network switching equipment.

AT&T's expected inroads into the South Korean market are expected to prompt other international telecom giants like Alcatel and Northern Telecom to pursue contracts in Korea more aggressively, industry sources feared. Northern Telecom, a Canada-based international telecom equipment maker, has recently shown it intends to break into the nation's switching procurement market.

A senior Korea Telecom official, contacted yesterday by telephone, said that the company has so far no plans to allow foreign companies other than AT&T to contest its telephone exchanges contracts. "Even if—and it's a big if—any foreign companies are allowed to join in the competition, they won't be here in the next two to three years," he said. All bidders must go through Korea Telecom's quality assurance tests, which usually take 27 months to be completed.



Korea Telecom, the only firm allowed to install and operate domestic phone networks, has bought telephone exchanges worth some 400 billion won annually in recent years. This year alone, Korea Telecom plans to install some 1.7 million new lines as part of its effort to expand and upgrade the nation's telephone links. The figure is likely to diminish in following years, but the demand for digital exchanges is still strong as the government is struggling to switch to cellular telephones to avoid the time and expense of stringing and maintaining wires.

The expected market opening poses a serious threat to the four domestic firms which have dominated the switching market by sharing juicy contracts among themselves. The four are Goldstar, Samsung, Daewoo and Tongyang.

AT&T, with annual sales of over 5 million lines of switching equipment worldwide, comes into the Korean market with strong price competitiveness. The main South Korean system that will compete with AT&T's 5ESS switching equipment will be the domestically developed TDXs (time-division exchanges). The Seoul government and the four private firms have poured some 100 billion won since 1983 into development of the high-capacity TDX system, hailed as the switching equipment that will spearhead the nation's effort to modernize the telephone networks.

To help the firms to recoup the huge investment, the government allowed them to become the exclusive suppliers for Korea Telecom. The four firms have recently won major contracts in former Communist countries to sell their TDX systems.

AT&T's entrance will certainly add a new twist to Korea Telecom's attempt to share all new switching contracts among the four domestic firms. The government has intended to buy only domestically developed products, except for those contracts which are promoted with financial assistance or loans from foreign countries. Korea Telecom officials said AT&T won't be able to dominate the domestic market as feared by some industry sources. A ranking Korea Telecom official said that TDX systems are highly competitive against the 5ESS versions that AT&T will present for the August tenders.

Goldstar and Samsung have recently complained that Korea Telecom is dragging its feet on giving quality assurance to TDX systems of their latest designs that they say are more competitive against AT&T's 5ESS. "The real threat will come when AT&T vies for these contracts with their new and latest high-capacity equipment," said the official.

AT&T has in fact been present in South Korea for some time. It has been selling some 350 billion-won worth of 5ESS systems since 1988 through license production by Goldstar Information and Communications Co., a joint venture in which AT&T holds 44 percent of the stakes. Goldstar has recently been concentrating on producing and marketing the Korean-developed TDXs, resulting in

a sharp drop in AT&T's share in the nation's telephone switching equipment market, according to industry sources.

AT&T is currently the only U.S. firm competing in the South Korean telecom market. Sales of its 5ESS produced under license dropped from 116 billion won in 1990 to 43 billion won last year. TDX systems took up 70 percent of the total market volume of 411 billion won last year.

Opening the telecommunications market has been Washington's main demand in its bilateral trade negotiations with Seoul. In 1989, Washington designated Seoul as a priority foreign country subject to intensive negotiation concerning the trade of telecom equipment. In February 1992, Seoul agreed to open the market this year.

#### **Seoul, Beijing Sign Post, Telecoms Agreement**

*SK2407120793 Seoul YONHAP in English 1036 GMT  
24 Jul 93*

[Text] Seoul, July 24 (YONHAP)—South Korean Communications Minister Yun Tong-yun and his Chinese counterpart Wu Jichuan signed an agreement on cooperation in post and telecommunications in Beijing on Saturday, Foreign Affairs Ministry officials said. The agreement covers mutual cooperation on post and telecommunications and encourages use of high quality communications service such as satellite and optic cable. With the signing of the agreement, exchanges of related technologies between the two countries are expected to increase, the officials said.

#### **PRC To Supply Heavy Water to Atomic Power Station**

*SK2507050293 Seoul TONG-A ILBO in Korean  
25 Jul 93 p 2*

[By correspondent Kim Cha-su from Singapore]

[Text] China has recently made a successful bid for supplying heavy water to the ROK's Wolsong atomic energy power station. This shows cooperation on atomic energy between the ROK and China is expanding.

In meeting with Chinese Foreign Minister Qian Qichen on 24 July, ROK Foreign Minister Han Sung-chu, now visiting Singapore, said that "China's supplying heavy water to the ROK proves that there is practical progress being made in economic cooperation between the ROK and China." In meeting with reporters after the talks, Minister Han explained that "in a recent public tender invited by the Korea Electric Corporation, China made a successful bid for supplying 110 tons of heavy water (amounting to \$25 million) to the Wolsong atomic energy power station. China will conclude a formal contract soon."

According to the bid, the China Electronics and Energy Resources Corporation will supply 110 tons of heavy



water to the ROK. This quantity is equivalent to one-fourth of the total quantity of heavy water required by the Wolsong atomic energy power station.

**Japan Begins Interviewing Former 'Comfort Women'**

OW2607081793 Tokyo KYODO in English 0655 GMT  
26 Jul 93

[Text] Seoul, July 26 KYODO—Japanese officials Monday [26 July] began their first interviews in Seoul of South Korean women who claim they were forced to serve as prostitutes for soldiers of the former Japanese Imperial Army during World War II. The investigation team, made up of officials from the Foreign Ministry and the cabinet councillors' office on external affairs of the Prime Minister's Office, will interview 15 women over three days, team members said.

Two Japanese lawyers who are well versed in the issue accompany the team as observers. Based on results of the interviews, Tokyo is expected to complete and hand over its final report on the issue to Seoul by the end of August.

Japanese Government officials have suggested that the report will include a formal admission that the army forced the Korean women into prostitution. The association of bereaved families of Pacific war victims, headed by Yang Sun-im, has accepted an invitation to participate in the interviews.

But another citizens group, "Chongdaehyop" or the conference of the South Korean volunteer corps problem, led by Ihwa Women's University Prof. Yun Chong-ok, refused to take part in the hearings. The group said it does not welcome the visit, which it called another means to cover up and hastily conclude the "comfort women" issues.

Chongdaehyop and other organizations have jointly issued a statement that the visit "hides the true intention" of trying to minimize the issue and close the book, according to YONHAP NEWS AGENCY. Japanese Government sources said Monday they will research claims made by former comfort women in other countries besides South Korea.

Historians estimate that Japan sent 100,000 to 200,000 women, mostly from the Korean peninsula, and also from nations such as China, Indonesia, Malaysia, the Philippines and Taiwan to front-line brothels during the war and forced them to provide sex to Japanese soldiers. Tokyo has acknowledged involvement in the recruitment of the women but contended there is no evidence to prove that the women were forcibly taken to the wartime brothels.

**Minister Urges ASEAN Include DPRK in New Order**

SK2607053793 Seoul YONHAP in English 0113 GMT  
26 Jul 93

[Text] Singapore, July 26 (YONHAP)—South Korean Foreign Minister Han Sung-chu called on his nation's Asian partners Monday to induce North Korea to take part in the regional order, calling it essential to building security in Asia. "...The most important task before us seems to be the promotion of multilateral security and economic frameworks in the Asia-Pacific region," Han said in an address to the post-ministerial conference of the Association of Southeast Asian Nations (ASEAN).

Drawing attention to the "serious threat not only to the Korean people but also to the region and the world as a whole" of North Korea's nuclear program, Han said the only solution was to bring North Korea into the new regional order. "The ultimate solution to this issue can come only with North Korea's joining in the international trends of reconciliation and cooperation. This is precisely why we have to induce North Korea to participate in the regional and international order," Han said.

Foreign ministers of 13 countries—the six ASEAN members and their seven dialogue partners—have gathered here for the annual conference that opened Monday. This year they are addressing regional security issues for the first time. Vietnam, China, Laos, Russia were invited as guests and observers to give more weight to the security discussions.

Despite ASEAN's opposition to upgrading the Asia-Pacific Economic Cooperation (APEC), its formidable rival, Han threw his country's full support behind the proposed APEC economic leaders' meeting. "As the only intergovernmental organization encompassing the entire Asia-Pacific region, APEC is the very mechanism that will contribute decisively to the promotion and productive management of the trans-Pacific interdependence," Han told ASEAN. "In our view, it is about time for APEC to consider holding a meeting of its leaders. Such a meeting will keep the momentum of APEC spirit going."

**Foreign Investment \$440 Million in 1st Half 1993**

SK2607054693 Seoul YONHAP in English 0135 GMT  
26 Jul 93

[Text] Seoul, July 26 (YONHAP)—Foreign investment declined in total value in the first half of the year despite government efforts to attract more foreign capital, the Finance Ministry announced on Monday. The amount fell 7.6 percent from the same period last year to 440 million U.S. dollars, led by a drop in the manufacturing industry, though the number of investments rose 5 percent to 125.

The manufacturing industry suffered a major retreat due to the plunge in the paper industry, which reached no more than 1 million dollars in the six months compared



to 96 million dollars last year. Foreign investment in the manufacturing industry amounted to 294 million dollars in 42 cases, compared to 363 million dollars in 46 cases a year earlier.

In contrast, a 22.6-percent jump in foreign investment in the trade field lifted the service industry total to 113 million dollars in 73 cases, up 29.2 percent and 13.6 percent, respectively. Investments from the United States and Japan rose 9.4 percent and 15.5 percent, respectively, while those from Europe fell 36.8 percent.

### **Ministry Confirms No New Underground Tunnels**

*SK2307042893 Seoul KBS-1 Radio Network in Korean  
0315 GMT 23 Jul 93*

[Text] The ROK Defense Ministry revealed today drilling in Kimpo and Yonchon had found no underground tunnels. Meantime, people living in these areas insisted that there are tunnels. The ministry drilled eight holes from last October to February of this year. The Defense Ministry stated that it is unnecessary to open up the ground because it could not locate any underground tunnel when it drilled eight holes 20 [as heard] meters in diameter.

### **\* Census Reveals Widening Male Surplus**

*932C0164A Seoul SISA JOURNAL in Korean  
17 Jun 93 pp 32-34*

[By correspondent Yi Song-nam]

[Text] An obstetrician and gynecologist in Togok-tong, Kangnam-ku, Seoul, says that the 15 babies he delivered in his hospital in April were all male in what should be called a dumbfounding phenomenon. It is absurd indeed, he says, although no one should jump to the conclusion that all the mothers involved had used a sex-selective fertilization method. Even now, when the male-female ratio imbalance has become a social issue, the same type of strange phenomenon continues to occur at obstetrics and gynecology wards across the country.

The gender ratio in birth (the number of male infants per 100 female infants)—in the absence of an "artificial adjustment"—is 102 to 106. Then, why are the strange things taking place against the law of nature? A junior high school woman teacher, who has two daughters, four and six of age respectively, is four months pregnant now, confident that it is a son this time. She once thought of giving up the idea of having any more more children. However, under the pressure from people around her that she must produce a son, she visited a obstetrics and gynecology doctor known for helping mothers who want to have sons. The doctor examined her by ultrasonic test and let her know her exact ovulation time, "prescribing" an intercourse timed with it. As a result of the prescription, she said, she became pregnant, the latest ultrasonic test repeatedly showing the fetus as male.

This teacher having two daughters already is on the naive side, though. Unwilling to be victims of an androcentric society as long as male superiority remains its dominant ideology, many women would be determined—even from the very beginning of their honeymoon or at least for their second baby—to have a son by gender-selective fertilization. The way for them to produce sons by mobilizing a variety of obstetrics and gynecology theories is, roughly, in two phases. The first phase calls for deliberate creation of "environment" to induce male birth; when this fails, the second phase comes in, "killing" the female fetus by artificial abortion until the arrival of the male fetus.

The theory they believe in is that women "can have a son if the vaginal region is made alkaline and the intercourse is carried out at the early part of the ovulation period." The widely advertised "gender choice enabling you to have son or daughter as you wish it" in various home magazines, claiming a 98.8% accuracy—a percentage perplexing to consumers—is also based on the same theory.

Obstetrics and gynecology doctors use ultrasonic examination, urinalysis, and mucus test to find the ovulation time for couples with no children. The reason why those couples are anxious to know the ovulation time is simple. In view of the characteristic point of the Y chromosome which determines male sex that it is, in comparison with the X chromosome which determines female sex, stronger in vitality but shorter lived, they advise intercourse timed with the ovulation. In short, it is thus attempted to strengthen the Y chromosome's viability and, by doing so, reduce chances of a girl being born.

As for the fate of female fetuses, they are put to death in considerably many cases as soon as the sex of the fetus is determined by chorion test (in the 10th week of pregnancy), amniotic fluid examination (16th week), and ultrasonic examination (20th week), by parents who do not wish to have them. These tests were originally developed for the purpose of finding out if the fetus inherits any hereditary disease; the law prohibits them to be used for the purpose of finding out the sex of the fetus. Due to the deep-rooted preference for sons in our society, however, they are wielding power even surpassing the law.

Recently, Prof. Kim Han-kon (Yongnam University, sociology) published a paper dealing with "Problems and Solution of a Sharp Birthrate Decline in Korea," a concrete study of the seriously imbalanced male-female ratio, which drew attention of academic circles. The paper, based on joint research with Choe In-hyon, deputy director of the Korea Institute of Public Health and Social Affairs, will be read at a "population policy seminar" to be held in August in Beijing under the auspices of the UN Population Fund.

Prof. Kim points out in the paper that "largely responsible" for the serious imbalance in the ratio today is "the



government which, viewing a birthrate reduction as No. 1 priority, has connived at artificial abortions." The birthrate, which was 6.2 babies in 1960, rapidly decreased to 1.8 babies in 1992. The family planning in Korea thus established a world record in this field. In the 1960's through the early 1970's, when the birth control practice rate was not high among the married women, the Korean Government evidently took measures encouraging artificial abortions as a means to bring down the number of children born. As a result, even today when effective contraceptives are widely available, artificial abortion is seen as a secondary method of control and practiced with no sense of guilt. This practice even led to the unethical act of "giving birth only to boys on a selective basis," Prof. Kim argues. Artificial abortion has been the best method to resolve the problem for those who say that "we want to have one or two children and one of them must be son." According to the paper, approximately a total of 620,000 births were reported last year, while 1 million 800,000 cases of artificial abortions, three times as many, were also reported.

As a result, the male-female ratio of the newborn in the past decade took on a seriously abnormal pattern. In the 0-four age block, there are 124 boys to every 100 girls; in the five-nine age block, the ratio is 118 to 100. Prof. Kim says that this type of imbalance could yield a seriously negative impact on the psychological development of the growing children.

A look at the male-female ratio of children of school age in the past several years indicates the serious nature of the problem. In Seoul, the ratio was 110.5-100 in 1990 and 109.5-100 in 1991 against the 107.7-100 in the 1987-89 period. By region, the imbalance is more conspicuous in Seoul, Taegu, Pusan and other large cities. In Seoul, the gap is larger in Kangnam than in Kangbuk. Of the 135,000 children who entered primary schools in 1993 in Seoul, the average ratio was 110-100, while the ratio at 46 schools in Kangnam alone was 113.9-100. In the case of Samryung Primary School in Samsong-tong, Kangnam-ku, which recorded a 132.8-100 ratio, a national high, in 1990, it rose even higher to 133.9-100 in 1993. Also, Pongun and Onbuk primary schools are showing levels close to 130-100, while the imbalance is also severe in Socho-ku's Chamwon Primary School (121-100) and Tosong Primary School (116-100).

What effects will the phenomenon of more boys than girls at the primary school level have on the educational course? The children are already facing the male-female pairing problem in the initial stage of their social life; however, the government, while merely monitoring the situation, remains unable to come up with any counter-measures. It is foreseeable that by the time they reach the marriageable age, they will find the problem even more serious. An absolute shortage of brides-to-be will likely give rise to incessant cases of "marriage tension" in every parts of society. Suppose that the age most eligible for marriage is 25-29 for men and 20-24 for women, and the male-female ratio will reach 119.4-100 in the year

2000, seven years from now, and there will be 370,000 brides-to-be short nationwide. In the year 2010, the gap will widen to 128.6-100 with the shortage of brides-to-be further increasing to 430,000 in number. More specifically, we can say that one of every six men seven years from now—and three men of every 13 men 17 years from now—will be unable to find their partners.

Thus, there are signs that the excessive imbalance in the male-female ratio will spawn unforeseeable confusion in every part of society. Nevertheless, the preference for boys in the Korean society is not likely to fade easily. Prof. Kim, characterizing it as "a grave situation that permits no further delay in dealing with," urges the government to draw measures to bring down the imbalance as soon as possible. To change the dominant perception of our society based on the preference for boys, he argues, the government should come up with practical measures that will prove for parents that daughters are not after all at a disadvantage in society compared with sons. At the same time, Prof. Kim proposes legislation to strictly control the use of modern medical devices like ultrasonic equipment to determine the sex of fetus, and to punish artificial abortion operations with heavy penalties. He insists that such legislation is required. The government should work out measures to bring the situation under control before the day comes when those boys—mass-produced under authorities who, taking advantage of the traditional patriarchal system, did nothing but idled away their time—are hit by the same sorrow as the "farm bachelors unable to find partners to marry," and before we find ourselves in an awful situation overrun by various sex crimes like kidnapping and flesh traffic.

#### \* Aircraft Makers View Sector Specialization

932C0162A Seoul CHOSON ILBO in Korean  
16 Jun 93 p 6

[Article by correspondent Yi Chi-hun]

[Text] Three aircraft manufacturers—Samsung Aerospace Industries, Daewoo Heavy Industries, and Korean Air—are divided with conflicting interests over the issue of reorganizing our military aircraft industry. Nevertheless, change in the present landscape of the aircraft industry seems inevitable because the government is in favor of reorganizing the military aircraft industry for the promotion of sector-by-sector specialization.

The argument about reorganizing the aircraft industry was triggered by President Kim Yong-sam when he said during an April briefing session on the defense industry, "three aircraft companies are too many." Subsequently, during the 5 June informal breakfast meeting with the representatives of each aircraft company, the Ministry of National Defense and the Ministry of Trade and Industry expressed the opinion that "given the tendency among foreign aircraft industries toward regrouping, we, too, need a sector-by-sector specialization."



There is no definite detailed plan yet. But a Ministry of Trade and Industry official said: "As a matter of fact, it is impossible to integrate the whole assembly system of aircraft under a single company. We are studying, among other things, a plan to have one of the three companies specialize in fixed-wing aircraft, another in rotary-wing aircraft (helicopters), and the third in sub-contract manufacture such as wing and fuselage assembly."

The present designation system for military aircraft manufacture is somewhat complicated, with all the three firms participating in the manufacture of fixed-wing aircraft and two in the manufacture of rotary-wing aircraft.

Samsung is selected as the lead contractor in the 3.7 billion won next-generation fighter project (KFP), the mainstay of the defense buildup program in the aircraft field. The company plans to turn out the first Korean-made F-16 version by 1997. Samsung is also the lead contractor in the (KTX2) high-performance trainer development project and the (KPU) Phantom F-4 structural improvement project.

In the fixed-wing sector, Daewoo earlier turned out a trial model under the (KTX1) project to develop a training plane for elementary-level trainees. It is now in the system development stage. Korean Air, on the other hand, is the lead contractor in the project to improve the structure of the Cheong F-5 model. But Korean Air is no match for Samsung in terms of scale. In the area of rotary aircraft, Korean Air is the lead contractor for the manufacture of UH-60 transport helicopters under a (HX) 620 billion won project. Daewoo is the lead contractor for the manufacture of light assault helicopter KLH's.

On the basis of this industrial existing landscape, Samsung is strongly in favor of reorganizing the aircraft industry whereas Daewoo and Korean Air are strongly against it. These opposing positions clearly surfaced during the aforementioned 5 June breakfast meeting of the representatives of the aircraft companies. At the meeting Samsung President Yi Tae-won said, "The government is taking the initiative in what we are supposed to do ourselves, and we are grateful for that."

However, Daewoo and Korean Air reacted by saying, "The Ministry of National Defense and the Ministry of Trade, Industry, and Resources are following the initiative of Samsung. The argument nevertheless does not sound persuasive and the motive is questionable." Korean Air Vice President Sim Yi-taek pointed out: "Plural entries in one and the same sector of aircraft industry can be traced back to 1989 when Samsung was designated as an assumably contractor, followed by the designation in July 1990 of a plural number of contractors for eight different military aircraft projects. Since then the companies have completed their investments." President Sok Chin-chol of Daewoo Heavy Industries argued, "The issue of plural entries arose 10 years ago in the automobile and semiconductor industries, and what would have happened if the government had regulated plural entries at that time?"

Daewoo Heavy Industries and Korean Air are against reorganizing aircraft industry because they are afraid that if reorganization should proceed as contemplated by the government, the outcome will be unfavorable to them as compared with Samsung. They are all the more on pins and needles fearing that the argument about reorganization will eventually impact the 50-seat turbo-prop passenger plane development project which the government is pushing as a policy-based undertaking.

The Ministry of National Defense and the Ministry of Trade, Industry, and Resources argue that the plural entries were unavoidable when the projects were under way in mid-1980's because a single company was unable to take up a large volume of contract alone, but that the situation is different now. Some observers point out that in the military there is the criticism that while carrying out the F-5 Cheong-ho project and the 500-MD helicopter project in the 1970's, Korean Air failed to achieve the objectives of localizing technology and gaining competitiveness in technology. The aircraft industry reorganization issue, they say, stems from that criticism. At present, observers say, our aircraft industry is not cable of producing a complete airplane by itself, except for an ability to develop only a limited number of parts.

Refuting the criticism, So Sang-muk, director of the Korean Air division of operational planning, argues, "The F-5 project in the 1970's was undertaken under the worst economic conditions; accordingly it is not right to judge the results by the current economic standards."



## Burma

### Rangoon Students Arrested for Protest 7 Jul

BK2407004193 Bangkok BANGKOK POST in English  
24 Jul 93 p 7

[Text] Students in Rangoon renewed protests against Burma's military regime to mark the anniversary of a 1962 uprising, a dissident students organisation said yesterday.

The regime's security forces broke up the July 7 rally by arresting the protesters the Thailand-based All Burma Students Democratic Front (ABSDF) said in a statement released here.

The ABSDF said students from Rangoon University marched around the campus and hoisted the student flag a red ensign with a picture of a white peacock. The statement did not indicate how many students were involved in the protest.

The rally was held to mark the anniversary of the demolition of the Rangoon University Students Union building on July 7 1962 that followed a confrontation between students and the military government of Gen [General] Ne Win. Many students inside the building were killed.

The anniversary is highly emotional for the students because it was the first confrontation between the military and students.

The ABSDF said plainclothes military intelligence officers arrested the students at the latest protest. It said a tutor named U Soe Min was with the officers and was hit in the head with a flagpole by a student it identified as Maung Nyan Lin, who was immediately arrested.

SLORC [State Law and Order Restoration Council] took power in September 1988 and then brutally suppressed a wave of pro-democracy protests that began seven months earlier.

### Delegates To Present Reports at Plenary Session

BK2607101193 Rangoon Radio Burma in Burmese  
1330 GMT 23 Jul 93

[Text] Groups of National Convention delegates representing elected representatives and national races continued their discussions this morning in the respective meeting hall at the Kyaikkasan Grounds, Yangon [Rangoon].

A group of National Convention delegates representing elected representatives continued its discussion on formulating the basic principles of state suitable to be included in the constitution at 0900 this morning in the Meeting Hall No. 4. U Daniel Aung from the National Development Party chaired the meeting, while U Myo Nyunt acted as secretary of the meeting.

After an explanation on prescription of fundamental principles of state by the alternate chairman, the compiled report on suggestions belonging to the representatives of the Shan State Kokang Democratic Party [SSKDP] and five independent representatives—Dr. Hmu Tang from Thangtlang Constituency, Chin State; U Htaung Kho Htan from Tamu Constituency, Sagaing Division; U Tun Kyaw from Namhsan Constituency, Shan State; U Khin Maung Cho from Demawhso Constituency-1, Kayah State; and U Aung Thein from Ywangan Constituency, Shan State—which will be presented at the plenary session of the National Convention was read and presented by U Tun Kyaw from Namhsan Constituency, Shan State; and U Htaung Kho Htan from Tamu Constituency, Sagaing Division. U Tun Hlaing from Bahan Constituency-1, Yangon Division also presented a separate report on suggestions. The meeting ended at 1100 in the morning following a closing speech by the chairman.

A group of National Convention delegates representing elected representatives will submit and present six reports on suggestions at the plenary session of the National Convention.

The members of the National League for Democracy [NLD]—U Hla Kyi from Bassein East Constituency-2, Irrawaddy Division; U Myint Thein from Chauk Constituency-1, Magwe Division; U Aung Myint from Letpadan Constituency-1, Pegu Division; U Tun Myaing from Wetlet Constituency-1, Sagaing Division; and Daw Win Myint from Mayangon Constituency-2, Yangon Division—were selected to read the reports on suggestions belonging to representatives of the NLD and the independent representative U Hla Maung from Kya-in Seikkyi Constituency-1 at the plenary session of the National Convention. The NLD member U Maung Maung Than from Yamethin Constituency-2, Mandalay Division was selected as a reserve to read the reports at the plenary session.

The member of the Shan Nationalities League for Democracy [SNLD] U Khun Tun Oo from Hsipaw Constituency-1, Shan State was selected to read the report on suggestions belonging to representatives of the SNLD at the plenary session of the National Convention. The SNLD member U Sai Hpa alias U Hla Pe from Kyaukme Constituency-1, Shan State was selected as a reserve to read the same report at the plenary session.

The member of the National Unity Party [NUP] U Thein Tun from Ingabu Constituency-2, Irrawaddy Division was selected to read the report on suggestions belonging to representatives of the NUP at the plenary session of the National Convention. The member of the NUP U Thet Wai from Wakema Constituency-2, Irrawaddy Division was selected as a reserve to read the same report at the plenary session.

Independent representatives—U Khin Maung Cho from Demawhso Constituency-1, Kayah State; U Aung Thein from Ywangan Constituency, Shan State; and U Tun



Kyaw from Namhsan Constituency, Shan State—were selected to read the compiled report on suggestions belonging to the representatives of Union Pa'o National Organization [UPNO], SSKDP and the independent representatives—Dr. Hmu Tang from Thangtlang Constituency, Chin State; U Khin Maung Cho from Demawhso Constituency-1, Kayah State; U Htaung Kho Htan from Tamu Constituency, Sagaing Division; U Tun Kyaw from Namhsan Constituency, Shan State; and U Aung Thein from Ywangan Constituency, Shan State—at the plenary session of the National Convention. The UPNO member U San Hla from Hopong Constituency, Shan State; and the independent representative U Htaung Kho Htan from Tamu Constituency, Sagaing Division; were selected as the reserves to read the same report at the plenary session.

The member of Mro or Khami National Solidarity Organization [MKNSO] U San Tha Aung from Kyauktaw Constituency-2, Arakan State was selected to read the report on suggestions belonging to representatives of the MKNSO at the plenary session of the National Convention. The independent representative U Tun Hlaing from Bahan Constituency-1, Yangon Division will present his own report on suggestions at the plenary session of the National Convention.

A group of National Convention delegates representing national races continued its discussion on formulating the basic principles of state suitable to be included in the constitution at 0900 this morning in the Meeting Hall No. 1. U Kyi Nyunt from Yangon Division chaired the meeting, while U San Tun acted as secretary of the meeting.

At the meeting, the alternate chairman explained the compilation of the report on suggestions belonging to the group that is to be presented at the plenary session of the National Convention. Then U Kyar Gyi from Arakan State, U Aung Tun from Mandalay Division, and U Sai Paung Nat from Northern Shan State read and presented the report on suggestions belonging to the group that is to be presented at the plenary session of the National Convention. The report was later approved by delegates attending the meeting.

Daw Hnin Mya from Mon State, U Myint Aung from Sagaing Division, and Daniel Sin Po from Karen State were selected to read the approved report belonging to the group that will be presented at the plenary session of the National Convention. U Htat Hlaing from Chin State was selected as a reserve to read the approved report of the group at the plenary session. The meeting ended at 1100 in the morning following a closing speech by the chairman.

#### **Rohingyas Repatriated From Bangladesh 16 Jul**

*BK2307152693 Rangoon Radio Burma in Burmese  
1330 GMT 23 Jul 93*

[Text] In accordance with the coordinated agreement reached between the two countries on the repatriation of

those who illegally left Myanmar [Burma] for Bangladesh, a delegation led by Jahurul Islam, a camp official from country on the other side [Bangladesh], transferred 364 returnees—170 males and 194 females—from 84 households to our Kanyinchaung reception center at 1130 on 16 July 1993. The delegation left after transferring the returnees.

Since the repatriation began on 22 September 1992, a total of 29,539 persons who left the country illegally—14,452 males and 15,087 females—from 6,621 households have been accepted through 16 July 1993.

### **Brunei, Malaysia & Singapore**

#### **Malaysia**

#### **Commentary Hails ASEAN Accomplishments**

*BK2607101393 Kuala Lumpur Voice of Malaysia in  
English 0800 GMT 26 Jul 93*

[Station commentary]

[Text] The 26th ASEAN ministerial meeting in Singapore will be remembered for a number of successful initiatives. It will also be recorded as having reached a formal agreement on the East Asia Economic Caucus, EAEC. This brainchild of the Malaysian prime minister, Dr. Mahathir Mohamed, will become an item for the economic ministers of ASEAN [words indistinct] a political matter. The stand represents a diplomatic victory for Malaysia. The fact that consensus had been reached on this issue has been welcomed by all who favor peace and progress in the ASEAN region as well as the wider Asia-Pacific region. It is really observed that there had been misunderstanding and misrepresentation on this topic. What the Malaysian prime minister is promoting is simply a forum or consultative body. Its purpose is to hold regular discussions aimed at stimulating and spreading economic development. Another matter on which consensus was reached was the Asia-Pacific Economic Cooperation [APEC] body. President Clinton has decided to hold an APEC summit in Seattle. Now the ASEAN foreign ministers had decided to allow each individual member or government to decide for itself whether to attend this gathering or not.

Cambodia inevitably took up some of the attention of the ASEAN ministers. The fact that the UN-supervised elections were carried out successfully was a healthy development. However, the ASEAN governments have adopted a realistic stand in calling for an extension of the UN presence. Malaysia was among the first group of countries that sent troops for UN service in Cambodia. The feeling among the ASEAN governments is that the UN civil and military presence should not be withdrawn on 15 November as originally planned. Cambodia needs this UN support. Cambodia needs and will continue to need massive aid from as many countries and agencies as possible. ASEAN is in close proximity to Cambodia. It



does not seek to interfere in the internal affairs of that country. At the same time, no peace or stability is possible in this region if unrest drags on in Cambodia.

ASEAN has always adapted itself to new needs and new challenges. Its decision to establish the ASEAN Regional Security Forum is a timely measure. The new body will meet annually to begin with. It will also witness a gathering of a number of important players in the strategic affairs of the Asia-Pacific region. The willingness of both Russia and China to become participants in the ASEAN forum is a reassuring (?development). All in all, the ASEAN ministerial meeting in Singapore last week marked a further step in the journey toward peace, progress, stability, and the better quality of life for the ASEAN peoples.

#### **Minister Offers Legal, Judicial Help to SRV**

*BK2607092993 Kuala Lumpur BERNAMA in English  
0841 GMT 26 Jul 93*

[Text] Kuala Lumpur, July 26 (OANA-BERNAMA)—Malaysia has offered to help Vietnam set up its legal and judicial system, Law Minister Syed Hamid Albar said Monday. The offer was made based on the interest shown by Vietnam in Malaysia's system, he told reporters after receiving a nine-member Vietnamese delegation led by Justice Minister Dr. Nguyen Dinh Loc at his office here.

Malaysia sent its officers to Vietnam last year to study the areas where we can help and their officers had been here twice, he said. Syed Hamid said Vietnamese officials had witnessed the court proceedings here and the administration of the Law Ministry.

Vietnam wished to convince investors that it not only had political stability but also a good legal and judicial system, and it felt that Malaysia's was a sound model, he said.

Dr. Nguyen arrived here Sunday for an eight-day visit.

#### **Two Sabah Secessionists Released**

*BK2507072493 Kuala Lumpur UTUSAN MALAYSIA  
in Malay 17 Jun 93 p 3*

[Excerpt] Kuala Lumpur, 16 Jun—Two men detained under the Internal Security Act [ISA] three years ago for their involvement in a plot to have Sabah secede from Malaysia have been released. Deputy Home Affairs Minister Datuk Megat Junid Megat Ayub announced the decision to release the two ISA detainees at a news conference in his office today. "They have repented for their mistake and were released on 11 July," said Megat Junid.

The two men, Benedict Topin and Abdul Rahman Ahmad, were earlier detained at the Kemunting Detention Camp in Perak. They were arrested for what the national police chief described as a "threat to national security."

When he was arrested in Kota Kinabalu between May and June 1990, Benedict Topin was chairman of Sabah Air, while Abdul Raham was a Special Branch police officer in Sabah. Prime Minister Datuk Sri Dr. Mahathir, in his capacity as home affairs minister, signed the document releasing the two men last Friday after receiving recommendations from an advisory council. [passage omitted]

#### **Cambodia**

#### **PNGC Condemns KR Attacks on Vietnamese**

*BK2607135393 Phnom Penh National Voice of  
Cambodia Radio Network in Cambodian 1300 GMT  
26 Jul 93*

[Communique issued by the Provisional National Government of Cambodia on 24 July]

[Text] The Provisional National Government of Cambodia [PNGC] wishes to express compassion for the Vietnamese nationals who lost their lives when Khmer Rouge [KR] troops of the Party of Democratic Kampuchea [PDK] attacked [words indistinct] Kompong Chhnang Province between 8 and 12 July 1993.

The cruel acts constitute new evidence of the violation of the accord by the PDK/Khmer Rouge who themselves signed the agreement in Paris on 23 October 1991 and of an antagonism toward the PNGC.

Demanding that the PDK immediately put a halt to these cruel acts, the PNGC resolutely condemns all onslaughts cowardly carried out on ordinary, unarmed people, regardless of their nationality, living on Cambodian soil.

#### **Ranariddh on Rehabilitation of Country**

*BK2707044593 Phnom Penh National Voice of  
Cambodia Radio Network in Cambodian 1300 GMT  
22 Jul 93*

[Speech by Prince Norodom Ranariddh, cochairman of the Provisional National Government of Cambodia, at a get-together with civil servants in Sihanoukville on 19 July—recorded]

[Text] Our parents have left Sihanoukville, Angkor Wat temple, and Phnom Penh City to us. Also, we plan to further promote tourism in the areas between Phnom Penh and Kompong Chhnang Province. Thailand has five million tourists, so if we have hotels and if we protect the environment, nature, and national culture, we will also get five million. Please, the gentlemen who are good in mathematics [Ranariddh laughs], what is the answer to 25 multiplied by five, adding eight zeros? This is in U.S. dollars [voice heard in the background says: \$2,500 million] [figures as heard]. Two thousand and five hundred million U.S. dollars. Does any country's state budget amount to \$2,500 million? No. Tourists, including our overseas compatriots, when they come, eat



a lot. They eat chicken, rice, and fish. As such, the living standard of our compatriots at home will continue to increase.

Now we are at peace, so we should protect our forests. I am waiting to hear what the Kampot Province representative will say. Anyway, as far as I know, we should preserve the forest in the Boko area [a popular mountaintop tourist site in Kampot Province] as a national park. We need to safeguard the forest-covered park for our nation. We should not do anything to that forest. Also, we need to create as many national parks as we can and we should not touch them. Although our income is not raised from forests, we should all the same continue to exploit them, but destroying forests is a serious threat to national survival. We should think about our children, grandchildren, and great grandchildren. After they are born, they will see our Cambodia, which is used to having beautiful forests, become a desert [preceding word in French]. The destruction of forests in (?1991) is a responsibility not only of the nation's history but also of our compatriots, children, grandchildren, and great grandchildren that we should shoulder. This is the greatest national problem, so all excellencies are urged to ponder this issue.

Another issue, which the Koh Kong Province representative just raised and which cochairman His Excellency [H.E.] Hun Sen has also pondered, is the problem of smuggling, including smuggling cars from Thailand. Taxes on cars are the greatest source of state revenue. When we have a deficit, taxes and excises are very important. Import duties constitute 50 percent of the state budget according to his excellency the trade minister. The other day at the Defense Ministry, H.E. Hun Sen and I proposed to give 10 percent of the seized goods to the navy. We are not the only ones doing so; this method has also been used in France. Those seizing smuggled goods, such as the Customs Department or navy, will be awarded 10 percent of those goods. Other countries also employ this method.

Now we will talk about the issue of shrimp farming. Frankly speaking, shrimps raised in Thailand are not really that savory. In general, anything raised is not tasty at all. Is the shrimp farming run by a Thai or Cambodian company or is it a joint venture? And where are shrimps sold? [Voice in the background says: The shrimps are exported to Thailand]. Thai markets—you see, they are sold in Thai markets. Shrimps from farms are not savory, are they? Perhaps you have not yet tried them. I lived in Thailand for a few years, but I think raised shrimps are not savory. However, the most serious problem is the detrimental effect on the environment [preceding word in French]. Why? Because when ponds are dug, mangrove forests will be destroyed. So fish which used to live and reproduce in those areas are not able to spawn. Besides, alluvial soil will continue to flow from rivers into the sea. Look, shrimp farming is found everywhere in the area from the border with Thailand. There is nothing left, not even mangroves. Now the area has nearly become a desert. As such, the issues of

agriculture and environment should be carefully pondered. Nevertheless, this does not mean that shrimp farming is banned, but everything should be organized in an orderly and legal manner. The economic ministries and Agriculture Ministry should tackle this issue.

As I have repeatedly said, although it is certain that tourism is a source of state revenue, we should never follow Thailand's example. That country is tremendously prosperous, but it also has many adverse consequences. We should not do as it has done. For example, we cannot do as they have done in Phatthaya—Rayong is better—because this issue will affect national dignity. As I have frequently said, what women from Thailand or anywhere do—if we talk about liberal democracy, they can sell their cakes anywhere; and as his highness [Prince Sihanouk] has often said, it is impossible for us to forbid them from selling their cakes—affects national pride and has also brought diseases, such as AIDS, to the country. So they are urged to sell real cakes, such as num akao [a kind of cupcake] since this issue concerns our nation's pride and health.

Anyway, we are still able to promote tourism because foreign tourists want to see us preserve our beauty. We should not do anything that will affect landscapes or pose a serious problem to the environment. In promoting tourism, we should also consider the drainage problem—where can waste water from big hotels be discharged? The Sihanoukville governor is very [word indistinct]. So all of you should be very careful with the tourism issue as it is a source of state revenue. However, national survival, including landscapes and the environment, should in no way be affected.

Where should the waste water be disposed? Hotels in Phatthaya are almost all located on the seashore and all the toilet water in the hotels has been drained into the sea. Thus, taking a bath in the hotel is as bad as swimming in the sea. Swimmers there might also be hit and beheaded by the so-called water-scooters going at high speed. Moreover, the sea water there is also contaminated by fuel oil from the water-scooters.

We do not want all that. We have told foreign tourists that there are no such water-scooters in Sihanoukville, and they are very happy to hear this. So, many have come. I myself am also afraid of those water-scooters. This is because, first, I am not a good swimmer and, second, I would not dare dive for fear of being hit by a water-scooter upon emerging from the water. This is bad, another critical problem. Do not play with the so-called water-scooters. This is not make-believe, but a fact.

Now, where to let out the waste water? If they want to build hotels, they should arrange water treatment plants for storing and cleaning the used water before draining it. You should go there to inspect this matter. If they do not have such a plan, we will not allow them to build hotels here.

Another point is that we should build our hotels as people did in Bali, Indonesia. That is, the hotels in Bali



are built in a national style. For us, we should build the roofs... [changes thought] As you said just now, when the rain pours down it is nice and cool. But the more we feel cool and cosy, the more flooded it becomes. Those are the so-called flat roofs. Therefore, we should build tile roofs and make them slanted as much as possible so rainwater can flow quickly. This kind of roof can also prevent [words indistinct]. We can also build beautiful roofs according to our national style. Cambodian roofs are very beautiful, so we should build our beautiful roofs. Moreover, in Bali, Indonesia, tall buildings are not allowed because they affect the environment. Therefore, the highest hotel in Bali is only as high as a coconut tree. Hotels on the seashore in Bali are not higher than a coconut tree, unlike our Independence Hotel in the Sangkum era which was built on a hilltop. It looks quite nice. But if we build hotels on the ground, as in Bali, they should not be higher than a coconut tree. All these are matters that we should consider before making any decisions. These are the lessons we should draw from our neighboring countries. Do not spoil, do not affect nature.

Now let us turn back to Koh Kong Province. Roads... [changes thought] Concerning logging, when I return I will inform H.E. Cochairman Hun Sen, H.E. State Minister Kong Sam-ol, and so forth about this matter to take very strict and concrete measures. These are the national resources that we should stop destroying. You, gentlemen, are not opposed to this, right? I am not doing this for myself. You must know that H.E. Hun Sen is younger than I. I am much older than he, so I do not know when God will take me from this earth. Therefore, we are not doing this for ourselves. We are doing this for the Cambodians, for our children, our grandchildren, and our great-grandchildren. As the venerated Prince Father, whom you call the father of the nation, has time and again advised us, do not disturb the forests. Do not disturb the forests. The forested area has dropped from 73 percent down to only 32 to 33 percent. This is a huge amount of destruction within only a few years, and it is so difficult for trees to grow again. It takes hundreds of years for them to grow that big again.

Another point is fishing—catching fish, shrimp, and so forth. This matter also relies on our fraternal sailors. We must negotiate with friendly countries, particularly Thailand, on the limits of a catch. First, they must respect our territorial waters. Second, they must respect regulations regarding fishing techniques. H.E. Minister Sok An told me yesterday that we have already set up our committee, but they have not yet set up theirs. First, we have to study the trawl and the size of the mesh. Another thing is the amount, the limit of the catch. Thus, we should ask them for renegotiations. If we do not, we will lose the best prawns. If you taste the raised shrimp and the natural ones without adding salt, you will notice the difference.

Therefore, we must take care of both the environment and the economy. Excellencies, when we go back, we will discuss measures concerning this matter. H.E. Hun Sen and I will soon pay an official visit to Thailand. We

should work this problem out. Thus, there is a problem with fishing in Koh Kong Province. It is not that we are ungrateful to the Kingdom of Thailand which, as you said just now, has helped us by sending her Red Cross team here. We must be thankful to the Kingdom of Thailand and the Thai King.

However, we are also an independent country. As you all have been talking about unity, independence, territorial integrity, and national sovereignty, we should implement these characteristics as the basis of our nation. All of you understand this matter very well; I do not have to say any more. It is the ultimate occasion that our Cambodians have united under the royal leadership of the Prince Father and the big parties have turned to unite as one and stopped quarrelling.

The matters I raised just now are concrete problems that we, the new government, must resolve. This is because they involved our national income and national budgets. Without national budgets, I think that within the next few days we will have to go around begging for aid. I agree with H.E. Hun Sen who said that I should go around begging for alms. I will go around begging for alms, but we will soon stop.

[Ranariddh addresses Sok An] His Excellency Sok An must remember that prior to signing the agreement in 1991, [words indistinct] our country as the poorest country in the world. Oh Lord! Even before the agreement was signed they already considered Cambodia the poorest country in the world. What honor do we have then? They said we should accept this. They will give us financial aid only when we accept that we are poor. Of course we need aid, multifarious aid. But I think that we [words indistinct]. We have so many resources of our own. Therefore, this is a tough mission.

We, the leaders, need you—high-ranking and mid-level leaders—and all compatriots from the top to the bottom level, especially the workers and peasants who make up 80 percent of the Cambodian population. You should understand the national problems and help the provisional government, the national government, under the leadership of the Prince Father, salvage our nation. As our Prince Father used to say, we should enter a new historic era of our Cambodia. That is what we should do.

Now I would like to thank and extend my best regards to those in Koh Kong, a place I want to visit. It is not that I do not want to. I have heard that there is an airfield, so I want to go there, too. In addition to the airfield, there should be a road to facilitate tourism. [Ranariddh addresses unidentified person in the audience] Do we have nice places to develop into tourist areas? [Unidentified person answers: Many places.] Many places, yes. The Prince Father said he once went to open an area during the Sangkum Reas Niyum [Sihanouk's pre-1970 party] era. He said it was a nice area with waterfalls near the seashore. [Ranariddh addresses unidentified person in the audience] What is that place? His highness said he went there by sea and upon entering the area, he saw



waterfalls. Ask the naval forces, they might know. [Unidentified person answers: Kirivong Hill]. Kirivong Hill, right?

It is possible to let them develop our tourism; we will not prohibit tourist development. So, go ahead and do it. Even the fraternal Thai are welcome. Do come. But the conditions I mentioned just now should be preserved. It is also the source of our budget.

[Ranariddh addresses unidentified person in the audience] I would like to take this opportunity to thank you for the achievements you explained to me just now very clearly, correctly, and thoroughly. I would like to thank and commend all of you for the achievements. I would also like to take this opportunity to commend the former State of Cambodia for the efforts it has made in the past several years despite the difficulties and suffering encountered in the transition from one regime to another, to one that suffered from great shortages. Despite those shortcomings, you have made satisfactory achievements. We should strive on.

Concerning the matters we talked about just now, I would like to seek more information as follows.

Bokor was formerly a tourist area and even conducted some minor agricultural experiments. It was formerly famous and known as far away as Phnom Penh as a good producer of lettuce, as people said that the best lettuce must come from Bokor. Another prominent product in Bokor is grapes, a kind of fruit from France, from Europe. At present, Chiang Mai Province of Thailand is the big producer of this fruit. Formerly, Bogor grew this fruit before anyone else. There were also orchids alongside the waterfall. There are many more orchids now, such as durian orchids. We grow them there using our own as well as good seeds from Thailand.

Another request made by the representative from Kampot Province regards the problem of salt. He proposed rearrangement of the cooperative system for salt farming. Why should we rearrange the cooperative system? Why do we not maintain the private company system? Is there any problem? I do not quite understand this matter, so I would like you to please explain—his excellency the representative from the Trade Ministry is also here—so we can understand how to solve this problem.

Formerly Kampot Province, as is known to all... [changes thought] We must resume salt production. This is because we need salt. Salt not only serves our economy but also the daily needs of our people throughout the country. Has this business flourished, remained the same, or become worse than during the Sangkum Reas Niyum era? [Indistinct answer from unidentified person.] In the past, there were problems with field embankments. In salt production, one needs to build field embankments and ditches to channel salt water into the marshes. There is always wind along the seashore.

In Thailand, salt producers use windmills to draw the wind along the seashore and channel seawater into the marshes. Have we done the same thing? [Unidentified person answers: Only using water pumps.] Only using water pumps. So we need gasoline, right, your excellency? Then we should study how wind is used as energy so we can conserve our precious gasoline that we must buy from our budget. Therefore, you—the ministries concerned—should discuss this matter. It can give relief to our budgets. Yes, I have heard that in some areas we could carry out full production; 100 percent. That is quite good. But you said that many water channels from the sea have dried up.

Concerning the fishing problem, we should resolve it. But do not just see [words indistinct] as if it is so much. On either the question of fishing or that of logging, please do not have any misunderstanding on the following points.

We are not talking about prohibiting the whole business. Take logging, for example. Your production of logs for our internal use is alright for our daily needs in construction work and so forth. We do not prohibit this. We must permit this undertaking in line with the law and restrictions set by the Agriculture Ministry. So do not misunderstand this. We ban only excessive logging: felling all trees—big and small—for export without heeding the law, without replanting plans, and without gaining income for the nation. As for our compatriots, this logging affects our compatriot small loggers who fell trees only to build houses. While banning the small loggers, we have allowed big businessmen to do it. This affects our national economy, our national survival. The ministries concerned should clearly explain this matter.

There are also problems with fishing. Regulations concerning the trawl, its size, and so forth should be observed. The ministries concerned see to it that the annual catch does not exceed the set limit. It is not prohibited, except to make sure that small fish are not caught. Otherwise, the compatriots would scold the provisional national government again. This directly affects livelihood, thus the ministries concerned from the top to the provincial levels should look clearly at this matter. It is not that we prohibit fishing. But do arrange proper plans for whatever you are doing. I believe that the ministries concerned, such as our Navy, will also help in this matter, providing protection and giving assistance.

As a matter of fact, fishing is not the only business in our entire territorial waters. There are other things—such as natural gas and petroleum—in the sea bed that are being explored and researched further. As far as I am concerned, a British company will start digging for oil next January. It is a big deposit. Thailand has found her natural gas and petroleum. So we must speed up our exploration, because formerly they used the direct drilling system. Presently, they are capable of carrying out a modern and indirect drilling system called oblique [preceding word in English] drilling. That is, they dig the



wells in their area and take the oil from our area. Concerning the problem of two territorial waters claimed by both Thailand and Vietnam, [words indistinct]. If we fail to settle this problem quickly, the companies that have been given concessions by the Thai Government, with their modern techniques, will be able to pump oil from our area, or the disputed area. Therefore, either the provisional government or a future permanent national government should settle this matter quickly because it involves the sources of finance that we need. Therefore, I would like the excellencies in charge of the Ministries of Public Works, Energy, and Ores to please work this out.

Now I wish to return to the issue of Sihanoukville and I would like to ask your excellency the city governor about the present situation of the port management because there is a rumor that a contract was concluded giving a Singapore company the right to run the port and that a French company which plans to bring in modern heavy equipment to solve the handling problem also wanted to take part in the bidding. I want to know about this issue. And I would like to address the second question to the excellencies in charge of planning and public works: It is said that our port has problems because it is becoming too old. And the third question concerns the problem with the channel to the port—the fact that we chose to build the port here is because a natural stream which flows through the channel toward Rong Island removed the need for dredging [preceding word in French] the passage—as I was told that sand has accumulated at the port and now it is more than seven meters thick. Before we had a dredger, but the machine has now sunk somewhere.

Regarding these three issues, I want to know about managing the port, the problem concerning the artificial channel, and the problem with the French company. So his excellency the Sihanoukville governor, please account for these issues. (?Now we are already at peace), but we have encountered obstacles due to the use of public utilities, such as the seaport, in an unlawful manner.

H.E. Cochairman Hun Sen told me that when we visit Vietnam, we should raise the issue of constructing a drawbridge, otherwise ships will not be able to enter our port. Should we be unable to solve the Mekong River problem, it will be impossible for us to develop our Sihanoukville seaport. As for the depth of the channel, it should be at least 15 meters deep so large ships can navigate, but now it is only six or seven meters deep. So I believe that first we should acquire a ship—a ship that Australia previously gave us has now disappeared—equipped with a sounding device [two preceding words in French] able to determine the depth of the pass [preceding word in French] to our Sihanoukville port. Second, we should also have a dredge because nothing can be done without one. And third, we should plan to have the bed of the channel blown up with explosives as in Korea, then we will dredge it. Our port should also be equipped with a new crane because heavy containers are

presently widely used. The existing crane is not strong enough. The new crane should have its foundation in the ground, otherwise danger will certainly occur someday. We need a new plan for the Sihanoukville port so I fully support the plan to invite a French team to conduct a study of the port.

If we rely on our penniless government and small companies, such as the Singapore company, we will never solve any problems. This is the biggest problem that concerns our national survival. So first, we should have a barge to conduct sounding as before; second, we should have a dredging barge to open up the pass; third, we need to use explosives if possible; and fourth, we should conduct a study in order to build an onshore crane since we will need to handle heavy containers.

Now we will talk about railway lines. It is asked whether our badly damaged railway lines, which are extremely beneficial to our economy and which link Phnom Penh, Kampot, and Sihanoukville—I am not talking about a security problem—still can be fully used. And what is the length that has been cut off due to lack of security? Another problem that we need to solve is our railway system. The railway lines were specially constructed by China, but now the damaged rails cannot be replaced because China no longer produces them; after selling them to us, they stopped producing the rails. Now we cannot get spare parts anywhere. So in my opinion, we should, for example between Phnom Penh and Takeo Province, construct a new railroad. Then we will use the old rails to repair the stretch of the damaged railroad between Takeo and Kampot, and so on. We should do this because the Chinese-made rails are no longer available, we cannot buy them from overseas anymore. So a decision has to be made on where new railroads should be constructed. However, we should retain the size of the rails so existing locomotives or wagons can be further used. As for the old rails which are still usable, we will use them to repair the rail lines beyond. This is one of the measures we should adopt. If we do not solve the railway problem, we will be unable to solve the problem of transporting goods from the port.

Therefore, we should further develop our port and, second, we should rehabilitate our transportation system; otherwise, shipment of goods, especially from the port to Phnom Penh, will be hindered. The Public Works and Trade Ministries are asked to study the issue of Sihanoukville port, that our father [Prince Sihanouk] has established and that bears his name, because it constitutes Cambodia's lifeline. If we only depend on the river port in Phnom Penh, later we will have problems. So we have to solve this problem urgently. The proposal to invite a French team to conduct a study is a good idea. As far as I know, we had a French-drafted urbanization plan for beautifying this city zone by zone. Where is the plan now? Anyway, is it possible to call on France to help us? If we develop the city in an anarchic manner, it will be difficult to modify later. If we start in an orderly manner, our work to beautify the city zone by zone will be easy to carry out.



In particular, with the port in Sihanoukville, we plan to create what is called a free port. The prince father again talked about this matter when he received us at Teveavichhai Throne Hall the other day. However, a free port is not compatible with tourism. In order to establish a free port, there should be industries manufacturing goods, such as cigarettes [word indistinct], that are exempt from excises and destined for exports. An industrial zone would be incompatible with tourism because tourism needs landscapes, tranquility, and a protected environment. So we should efficiently organize a free port to avoid a bitter contrast between industrial, free port, and tourist sites. Your excellency, please speedily study this issue, map out a plan, and look into investment laws and taxes. But tourism should also be protected. Just now, the Sihanoukville governor said there are zones that can be developed into tourist sites. However, these zones are not enough; we should look for other places. And the areas we have located should be protected; otherwise entrepreneurs—we are only afraid of our compatriots—from Taiwan, Singapore, and Thailand will come and buy them all.

Now I want to know what is the size of the land they have already bought. On my way here, I saw many blocks of unoccupied land with fences. What H.E. Sok An said last night is correct. This phenomenon has occurred not only in Sihanoukville, but in Phnom Penh as well. Who are the owners of those plots of land? In my opinion, the surrounded blocks of land do not belong to the people because they are left unoccupied for speculation [preceding word in French]. In other words, when our Sihanoukville becomes prosperous, they will resell the land at a higher price. That being the case, we should tax those plots of land according to their sizes. Generally, in other countries when the size of a plot of land is larger, the amount of tax on the land is smaller. Nevertheless, to prevent a future sale for high profit, the larger the land is, the heavier the taxes should be. Whoever wants to protest, please protest with H.E. Sok An. For myself, I only support his idea because it is correct. H.E. Sok An said: First, when the size of land is bigger, taxes should be heavier; second, after six months or one year, if no construction is built on that block of land, additional heavier taxes should be imposed. And after one year or one and a half years, if it is still left unoccupied, taxes should be further increased. Taxes will continue go up and up until they no longer want the land and return it to us. [laughter]

This is H.E. Sok An's idea. After consuming shrimp soup at the Kaoh Suo restaurant, he has come up with more and more ideas. For myself, I support this idea. So the bigger the land area is, taxes on it should become heavier and if nothing is built according to an agreement, we will review the contract to compel those people to start construction and prevent them from speculating on the land.

We should look for somewhat more remote areas for tourist sites and should also continue to protect them. And the people are urged not to ask their relatives to buy

land in that area. Don't occupy that land only after hearing that the area will be developed as a tourist site. Those people seize land and later when the area is needed for development as a tourist site, they want to sell it at a high price. This is absolutely impossible. So we should look for a zone.

Your excellency is asked to meticulously ponder the plan because no land is left now. We are aware that only a few people come and invest in Cambodia while they invest in force in Thailand, the Philippines, Indonesia, and Malaysia. We should consider the three areas you just mentioned and keep them as state property. The state will benefit from this. Only the state has the right to sell concessions—only concessions, not land. So please stop selling our nation's land to foreigners. Thai people can buy land in our country, but in Thailand, foreigners have no right to buy land at all. This is really interesting. No foreigners can buy land in Thailand, but Thai people can buy land in Cambodia. Can we just do likewise? Do you feel pity for the nation? If a Cambodian is married to a Thai woman, he has no right to own land. Only his Thai wife is entitled to the land. Therefore, we do not wish to do anything more than what they have done to us. We only want to act likewise.

Hong Kong has been sold for 99 years and in 1997 China will get it back. And since the Hong Kong Chinese do not trust China, as the prince father has always said, they have brought out their capital to invest in Canada, the United States, and Vietnam. Vietnam has two ports, at Cam Ranh and Da Nang, that were equipped by the United States, and now they are still serviceable. And our problem is that we should prevent people from bringing their capital from Hong Kong to invest in Vietnam, which possesses popular ports. We should do our utmost to encourage them to invest in our country. To reach this end, we need to establish a taxation system that is liberal [preceding word in French] and flexible to the maximum. Only by doing this will people come and invest in our country. Therefore, competent services are urged to ponder this matter.

I would like to inform you that at present H.E. Cochairman Hun Sen and I have a similar view. That is, H.E. Cochairman Hun Sen thinks about the problem of security. We have security problems everywhere; we must find security from robbery. We must resolve this problem. Their Excellencies Deputy Ministers Dit Munti and Yu Hokkri must solve this security problem. This insecurity is not a new problem, excellencies. During the Sangkum Reas Niyum period, before Sangkum Reas Niyum, after we achieved independence and set up our armed forces, we also faced the same problem of security. However, the then royal government, by rallying Mr. Put Chhay [member of a resistance movement in the 40's] and others, could settle everything gradually and then permanently. Therefore, with regard to this problem, since there was no disarming, the new government—the provisional government—has ordered the cantoning of troops. Right, excellencies? We will control the arms and explosives of those in barracks. Those



staying outside are regarded as insurgents, as bandits, pure outlaws. Only by so doing can the competent services suppress them.

This is a problem that the royal government has successfully solved in the past. Now we will also be able to solve it gradually. H.E. Hun Sen will settle this problem together with the competent services. He has proposed—not in writing—that I help him and all excellencies jointly resolve the economic problems, the development work. This is in order to share our work. Otherwise, H.E. Hun Sen would be too busy. His excellency the cochairman himself is fully competent. But thanks to our prince father's wisdom, we have cochairmen to work together and share responsibilities. This is in order to accelerate the development of our Cambodia. Just wait and see. You will see whether anything will change within the next two months. Therefore, we will work hard within the next two months. In the past, France liked our pepper very much, Cambodian pepper [two preceding words in French], our aromatic black pepper.

Therefore, we must study the market. There are problems when we industrialize our agriculture. It will definitely be quite difficult. Take Ivory Coast for example. Your excellencies, Ivory Coast, an African country, is carrying out monoculture. It grows cocoa, pineapple, and coffee. What is that linked to? It is linked to the international market in London. There will be an impact when the international market suffers a decline. Therefore, we must diversify. When we put too much stress on monoculture, we must be very, very careful. We must be careful, otherwise we might suffer the same fate as this African country, Ivory Coast, has suffered. But pepper was very successful in the past, thus we should grow it.

As for pineapple, you know when I went to France, I saw canned pineapple from Thailand on sale. You might not find some canned goods in Thailand, but many varieties are exported to foreign countries—America, France. They can sell even palm fruits. Even things that cannot be found in Thailand are sold abroad. Thailand exports all kinds of vegetables. [Ranariddh addresses unidentified person in the audience] Yes? [Unidentified person answers: Banana buds] Even banana buds.

We Cambodians are capable of doing likewise. [Words indistinct] but we have to look at that matter carefully. Excellencies, you must have learned that Malaysia is now suffering very badly. Malaysia has two main products. The first is rubber, rubber with poorer quality than ours. Second, they have palm oil. This palm oil is used for producing soap. The so-called Palmolive soap is produced from that palm, that palm oil [two preceding words in English], oil from that palm. With only those two products—palm oil and crepe [preceding word in English] rubber—for export, whenever the international market price declines, there is an impact on the livelihood of the farmers and companies. Malaysia does not have big companies. It has a large number of farmers. Thus, the livelihood of that community is affected. So gentlemen, we should also be careful with this. We want

to benefit, but do not be too deeply involved. If we go straight to the international market, be careful when prices on the international market drop because it will affect our economy, the livelihood of our compatriots.

Concerning pineapple, formerly we planted pineapple in hilly areas in Kompong Cham, in Memot District. But I have heard that we can plant pineapple in Kompong Som, right? We have brought its seeds from Thailand. Thai pineapple has two tastes. So I want our compatriots to study all those matters. All this talk about pineapple makes me hungry. [laughter] Therefore, I would like to end this work session now.

Once again, I would like to express thanks and commendation to his excellency, the governor of Sihanoukville, and all outstanding colleagues. I would also like to commend all representatives, Koh Kong and Kampot Provinces, and all gentlemen in charge of national security, including the general, commander of the 3d Military Region of the National Army. Although I am hungry, I would like to meet all of you again for a while after the others leave so that we can discuss a few problems.

I would like to meet also their excellencies the representatives from the Navy and National Security Ministry who are also attending this work session. At this work session, I did not make any particular speech, but just discussed work on behalf of H.E. Hun Sen and all gentlemen who are carrying out their mission in the service of the nation under the wise august leadership of the esteemed Prince Father who is the father of our entire Cambodian nation, the father of Cambodian independence, and the father of Cambodian national unity and liberal democracy in our Cambodia.

I wish all of you success and much happiness always in all your historic missions in the service of our Cambodian nation, of this Cambodia which is called the Angkor Motherland.

#### **Ranariddh Meets Polish Ministry Delegation**

*BK2707065793 Phnom Penh National Voice of  
Cambodia Radio Network in Cambodian 0430 GMT  
27 Jul 93*

[Text] On the morning of 27 July at the Cabinet Office, Prince Kromluong Norodom Ranariddh, cochairman of the Provisional National Government of Cambodia [PNGC], granted an audience to a delegation of the Polish Foreign Ministry led by His Excellency [H.E.] (Andrzej Hannamyk), deputy foreign minister of Poland.

H.E. (Andrzej Hannamyk) welcomed and voiced support for the PNGC born from the genuine wish of the people under the idea of His Royal Highness Prince Norodom Sihanouk, head of state, father of the nation, and chairman of the Supreme National Council of Cambodia. The excellency voiced support for the PNGC's formula proposed recently to the party of Democratic Kampuchea [PDK]. He stressed that this is a problem of the Cambodians that they must resolve by themselves.



Speaking on that occasion, Prince Kromluong Norodom Ranariddh stressed that the immediate, highest priority issues for the government to settle are the problems of the budget and security. The prince reiterated the government's stand toward the PDK by stressing that the PNGC still wants the PDK to return to the national fold. But that party must first display its good will, that is to honor and implement the peace agreement signed in Paris on 23 October 1991, observe the cease-fire, and put an end to [words indistinct] activities and the destruction of communications lines and bridges. Particularly, the PDK should not set any conditions for the PNGC.

The prince kromluong also highly valued the relations and cooperation between the two countries and peoples of Cambodia and Poland which have been developed and firmly strengthened.

Prince Kromluong Norodom Ranariddh asked the Government of the Polish Republic to help create a vocational training school for Cambodian students so that they can use all of that expertise to help restore and rebuild the country.

#### **Hun Sen Receives Delegation**

*BK2707074593 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 27 Jul 93*

[Text] On the afternoon of 26 July at the Cabinet Office, His Excellency [H.E.] Hun Sen, cochairman of the Provisional National Government of Cambodia [PNGC], received and had a cordial conversation with a delegation of the Polish Foreign Ministry led by H.E. (Andrzej Hannamyk), Polish deputy foreign minister.

H.E. (Andrzej Hannamyk) welcomed and voiced support for the national reconciliation process and the implementation of democracy in Cambodia. The excellency welcomed the PNGC cochairmen's upcoming visit to Laos, Vietnam, and Thailand. He also praised the relations of solidarity, friendship, and cooperation between the two countries of Poland and Cambodia which have constantly developed and consolidated.

The Polish deputy foreign minister stressed the Polish Government's willingness to allow the Cambodian students in Poland to continue their studies through to the end and its decision to provide more scholarships for Cambodian students to study in Poland next year. He also informed H.E. Hun Sen about the Polish Government's plan to invite the PNGC cochairmen to visit Poland, adding that a definite schedule has yet to be fixed.

In his reply, H.E. Hun Sen informed the guest of the developments and process of national reconciliation in Cambodia. He also spoke about the immediate problems that the government must urgently resolve, namely the economy, finance, and security.

Concerning the armed robberies in Cambodia, H.E. Hun Sen said that the government has taken strict measures

to check those problems, such as by cantoning the national army and curbing the illegal use of arms. He also stressed the government's stand regarding the Khmer Rouge, saying that the PNGC still opens its doors for the Khmer Rouge to return to national society, but that they must clearly display their goodwill and must not set any conditions for the government.

Concerning the termination of UNTAC's [UN Transitional Authority in Cambodia] mandate, H.E. Hun Sen said that when UNTAC ended its mandate, the United Nations should continue its presence in Cambodia to monitor the respect for human rights and the implementation of democracy in Cambodia, adding that this should include military observers.

#### **Indonesia**

##### **Incumbent Relected as Opposition Party Chairman**

*BK2307022293 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 23 Jul 93*

[Text] Suryadi has been unanimously reelected as chairman of PDI [Indonesian Democratic party] for the 1993-98 period. The party election was conducted earlier than scheduled after the party's regional executive council presented its evaluation to the progress report submitted by Dimi Haryanto-led central executive council at the fourth PDI congress in Medan yesterday.

The new PDI leadership for the 1993-98 period will also serve as members of committee in charge of appointing new members of PDI central executive council. In implementing this task, Suryadi will be assisted by nine PDI members from the Bali, Kalimantan, and Sulawesi regional executive councils.

##### **Opposition Congress 'Tumultuous'**

*BK2507081693 Hong Kong AFP in English 0804 GMT 25 Jul 93*

[By Bhimanto Suswastoyo]

[Text] JAKARTA, July 25 (AFP)—Plagued by incessant internal squabbling since its inception in 1973, Indonesia's smallest political party is slated to wrap up a tumultuous five-day congress Sunday with a strong sense of déjà vu. After days of bickering and brawling between members of the Democratic Party of Indonesia (PDI), party executives from rival factions were looking to the government to mediate a deadlock over the controversial re-election of Suryadi as chairman at their fourth congress.

The dispute stems from Suryadi's re-election on the second day of the congress which contravened procedural rules. Leadership elections customarily take place on the last day of the congress. The PDI congress began Wednesday in the north Sumateran city of Medan.



Party executives flew to the capital Saturday [24 July], seeking to draw support from Home Minister Yogi Suardi Memet for the election, while rival party members were widely reported by the local press to be pushing for government intervention to mediate the dispute.

Under Indonesian law, the home minister is responsible for the development of all socio-political organizations in the country. Organizations have to legalize their executive boards by obtaining approval from the government, as represented by the home ministry.

Political parties facing difficulties often turn to the government to mediate in serious organizational conflicts.

Congress Chairman Fatimah Achmad, who flew to Jakarta to seek Memet's advice, said: "Even though the (chairman's) election was held sooner than scheduled, it is still lawful and cannot be questioned because it was the will of the congress."

The PDI group however failed to meet with the home minister. But Memet has said the government would not legalize the results of the PDI leadership election since procedural rules were violated.

Press reports here said the PDI delegation had come here with Suryadi's proposition for a solution to the deadlock, which included his resignation and a list of suggested appointments to the party's executive board. It is not the first time that the PDI has deferred to the government for a solution to its leadership problems.

The government intervened to put Suryadi at the head of the PDI at the last congress in 1986. It also moved to directly appoint the PDI's entire executive board.

However, leadership problems have persisted and despite an urgent call for party unity launched by Indonesian President Suharto at the opening of the congress Wednesday [21 July], the conference was forcibly taken over by rebel factions before the end of the first day.

On Thursday, the congress re-elected Chairman Suryadi by acclamation for another five-year term without the participation of the rebel factions. Rebel factions stormed the congress by force again, leading to the congress being suspended.

Suryadi's chairmanship has been challenged by a growing group of PDI members, including the party's transitory board which says Suryadi has overextended his five-year mandate.

Opposition has also been signalled by the "Group of 17" party executives, who were kicked out of the congress two years ago by Suryadi following a series of squabbles, and the ABS group, an Indonesian acronym for "As Long as it is not Suryadi," that groups people dissatisfied with Suryadi's chairmanship.

Suryadi's opposition has accused him of allowing the party to make empty promises during last year's election campaign, and of violating democratic principles in running the party.

Some observers here have said the government is behind the current opposition drive against Suryadi and troubles at the congress, as a reminder to the PDI chairman that it holds the reins of power. However, Memet and other officials have denied allegations of political engineering.

#### **Government To Decide on Party Rift**

*BK2607145193 Jakarta ANTARA in English 0912 GMT 26 Jul 93*

[Text] Jakarta, July 26 (ANEX/ANTARA)—The government will decide its stand towards the Indonesian Democratic Party (PDI) after its recent congress in Medan after it has collected reports from all sides involved directly in it, Home Affairs Minister Yogi S. Memet said here on Monday.

"The government will decide whether or not the congress has been right, straight, or good after all of them reported it," he said.

The congress wound up Sunday without a formal closing ceremony but it had decided to re-elect Suryadi to continue leading the party and form a new executive board against some groups' opposition.

The Group-17 and the Transition Group had declared that the congress' decision was not legitimate.

Yogi S. Memet said only the logical, truthful, and factual reports would be accepted by the government, adding that all sides may present the reports individually or in groups. He said he would also accept reports from the Group-17 and the Transition Group and set no time limit for although he hoped it could not be done not too long. [sentence as received]

Regarding the party chairmanship, Yogi said that the government would not involve in endorsing as it is the affairs of participants of the congress.

"Who are entitled to endorse PDI chairmanship are congress participants," he said.

Yogi regretted that not all participants had agreed to re-elect Suryadi. "Therefore the government is still waiting for their reports," he said.

The minister reiterated that the government would not interfere in the determination of the party's leadership.

#### **Editorial Hopes for Real Political Reconciliation**

*BK2507113993 Jakarta THE JAKARTA POST in English 15 Jul 93 p 4*

[Editorial: "A Welcome Visit"]



[Text] A mere glimpse of the picture of the smiling General (ret) A.H. Nasution together with Lieutenant General (ret) H.R. Dharsono and Armed Forces Commander General Feisal Tanjung, is enough to invoke sentiment in many Indonesians. The picture, which was printed in all of the media in Jakarta yesterday, was taken when the Armed Forces commander—together with several other top ranking officials—paid a visit to the two retired generals at the Gatot Subroto Army Hospital. Overall, the public's reaction to the event has been a mixture of surprise and of overwhelming elation.

After all, who could resist feeling happy upon seeing two old warriors like Nasution and Dharsono—looking frail but still in high spirits—being welcomed back at last into their own pack, the Armed Forces, which Nasution himself helped build.

To many observers, the chain of events of the past two weeks is truly baffling. Just about five weeks ago, hopes of a possible reconciliation between the dissident "Petisi 50" [Petition of 50] and the government, which arose following the visit of several of the group's members to the PT [Company Limited] PAL dockyards in Surabaya, were dashed when military officials (including Feisal Tanjung) insisted that the government's attitude toward the Petisi 50, a group noted for its penchant for criticizing, remained unchanged.

Then, last week, during a visit to the state aircraft factory IPTN, one of the Petisi 50's most outspoken members, Ali Sadikin, made a touching, tearful speech in which he appealed to the government to reinstate the civil rights of Nasution, 74, whose health is failing.

The next day, the first surprise came: The Armed Forces chief spokesman stated that Nasution was not on the immigration blacklist and that only 11 names remained on that list. Two days later, Sudomo, the former chief of Kopkamtib, the internal security agency, said that it was he who had issued the ban on overseas travel for Petisi 50 members.

The surprises have come even faster this week. On Monday, prominent civil rights activist Adnan Buyung Nasution was not barred from traveling to Australia although up to last week, according to ABRI's [Armed Forces of the Republic of Indonesia] chief spokesman, his name was still on the blacklist. Then came the unexpected visit by Feisal Tanjung, Susilo Sudarman, Eddy Sudrajat and Suryadi to Nasution and Dharsono.

What is actually happening? Is there a government policy change toward dissidents? Did Feisal Tanjung's visit have President Suharto's consent, or at least did it happen with his knowledge? If so, what is behind it? If not, what is behind ABRI's maneuver? Is reconciliation imminent? What are the motives behind all of this?

As usual, speculation has burst forth and is spreading like wildfire. Some comments have played down the visit and cautioned that we must not be over-optimistic until

the government takes real action by, for example, reinstating the Petisi 50 members' civil rights or arranging a meeting between President Suharto and the Petisi 50 leaders.

Others have said that the moves were made to single-out Sudomo as the sole possible scapegoat, since he was the one (actually together with the then BAKIN [State Intelligence Coordinating Agency] intelligence chief, General Yoga Sugama) who claimed in 1980 that the Petisi 50 group had been plotting to assassinate 67 people, including Suharto. It was those allegations which justified the surveillance and blacklisting of the Petisi 50 members.

Whatever is behind the moves, we believe there is enough reason to welcome them. As we have stated in this column before, some sort of a face-saving solution to the Petisi 50 problem should be found to enable us to concentrate on the upcoming tasks we will face in national development.

Hopefully, the lifting of Buyung Nasution's travel ban and Feisal Tanjung's visit will lead to a real political reconciliation. After almost 50 years of independence and democratic experimentation, should we not have learned by now that difference of opinion is inherent in any kind of democracy, and that we can live peacefully, side by side, although we differ in opinion?

#### **Paper Reports Failure of Exxon-Pertamina Talks**

*BK2307052793 Jakarta TEMPO in Indonesian  
17 Jul 93 p 35*

[Excerpt] The plan to forge cooperation between Exxon and state oil corporation was reported to have been scuttled last Thursday. The 10-year-old negotiations between the two oil companies have unfortunately failed and the American oil company will not become Pertamina's partner. The failure was attributed, among other things, to Exxon's proposals for gas exploitation at Natuna island, which Pertamina described as too costly.

According to Pertamina directors, Exxon demanded higher returns than what is common in joint venture projects. Normally, a foreign partner in this type of joint venture gets 30 percent of the total amount of gas exploitation, but the American company demanded more. At the beginning of the negotiations in 1981, Exxon even asked for 70 percent returns. The same was true with tax payment, which Exxon wanted 8 to 40 percent lower than the common practice. Another request Indonesia was unable to meet was an investment guarantee; namely, whatever might happen, the company's investment in Indonesia would always be safe and unaffected.

Because of all these demands, Mining and Energy Minister Ida Bagus Sujana decided that the gas exploitation project at Natuna Island (believed to have a gas deposit of 45 trillion cubic feet) is not yet feasible. According to a source at Pertamina, no other company has thus far



replaced Exxon on the gas exploitation project. "Who knows? We ourselves will be able to do the exploitation some day," said the source. [passage omitted]

### **Official Explains Failure**

*BK2307090093 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 23 Jul 93*

[Text] The failed partnership with the Exxon oil company to exploit gas in Natuna Island will not affect its status as the company operating in the area. Speaking after a consultative energy meeting between Indonesia and the United States in Jakarta yesterday, Director General of Oil and Gas Suyitno Patmosukismo explained the government's technical, economic, and legal objections to the Exxon proposal. Suyitno said the government had hoped it would benefit from the Natuna gas project, but the U.S. oil company was unable to accept Indonesia's stand, resulting in the cancellation of the project. As the gas found in Natuna contains a high level of carbon dioxide, namely, 71 percent, a large capital investment will be needed for the project.

### **Philippines**

#### **Ramos Details Legislative Agenda for Congress**

*HK2607134693 Manila DZXL Radio Mindanao Network in Tagalog 0800 GMT 26 Jul 93*

[Speech by President Fidel V. Ramos at the opening of Congress in Quezon City—live, in English; broadcast in progress]

[Excerpts] ...A year ago, our people asked of us a new beginning. Today we can truly claim we have given our country that fresh start. We have arrested the decline of the economy and the national spirit, which had so demoralized our people. We are concluding a just and honorable peace with the military rebels, the insurgents, and the southern secessionists. A new spirit of cooperation existing between Congress and the presidency—for which I appreciate to you, ladies and gentlemen of Congress, with deepest gratitude [as heard]—has avoided the grid lock which obstructed policymaking in previous administrations.

And this is as it should be; executive and legislature are not meant to function in confrontation with each other. Our investors and businessmen can almost take political stability once again. The stock market has reached a high record. It is true that in some of our concerns, as in the economy, the forward movement has barely begun; there is still so much to be done. But today, I can report to you of a country and people renewed in purpose. [passage omitted]

Let me now take up our most urgent sectoral concerns one by one.

On political stability and peace and order. Examples from East Asia teach us that the first and foremost

requirement of economic development is stability, which is the long-term predictability of the social system. This is why we are seeking a comprehensive and lasting peace.

As proposed by the National Unification Commission, we shall pursue the path to peace by undertaking social, economic, and political reforms that address the root causes of armed conflict, by encouraging people to participate in the peace process, by working for a negotiated settlement with the armed groups, and by establishing programs for the reintegration of rebel groups into the mainstream of society through a general amnesty program. [applause] At the same time, let us effect the modernization of our Armed Forces. The cooling down of tensions in the region enables us to set new priorities in defense spending.

Peace and order are the other face of national stability; if you are to release the full energies of the nation, people who live, work, and produce must be secure in their persons, in their property, and in their homes. We have enhanced our institutional capability to cope with crime through the overhaul of the command and leadership structure of the Philippine National Police [PNP]. To this end, I propose that the PNP Law, R.A. [Republic Act] 6975, be amended to correct its many weaknesses.

We will dismantle the private armies that remain. We will not allow any more criminal brotherhoods, as in Calauan [Laguna], to exist. [applause] This includes purging local police forces of scalawags and bullies.

Last year, I proposed to restore the death penalty; I urge you to enact that measure as soon as possible. [applause] We must show determination to prevent any reversions to barbarism; in particular, I see the merit of the anticrime effort to the level of the barangay and the neighborhood by evolving new forms of collaboration between citizens and law enforcers. This way we can steadily constrict the space where crime can operate.

The challenge is clear: Crime can only come under full control when criminals, in or out of government, know we are going to catch them, convict them, and jail them. [applause]

Opening the economy is likewise a political task. In order to level the field of competition, we need to dismantle the structure of protectionism and controls and restructure the monopolies and cartels that operate against public interest. On the other hand, we must encourage and support Filipino and Philippine-based corporations that have proven their efficiency, competitiveness, and civic consciousness.

The critical question is no longer whether we will grow; it is how we can sustain and speed up this process. We have experienced a full year of steady, although unspectacular, growth. In the first three quarters of this administration our GNP in real terms increased by an average of 1.3 percent. This is indeed modest compared to the



galloping growth of our neighbors. But this is no mean achievement given our crippling power crisis. [passage omitted]

On agriculture and agrarian reform, we have identified key production areas for specific commodities. Areas where not just soil and climate, but also markets are most suitable. For example, if we concentrated on growing rice and corn only where they will best grow with adequate irrigation, we can produce as much grain as we have been producing on 5 million hectares on only two million hectares. We can then free some 3 million hectares now devoted to marginal rice and corn growing to other uses: to pasture, to aqua-culture, and to high-value crops.

These efforts in agriculture must be matched by equally resolute efforts at agrarian reform. This reform has been often pledged but only half-heartedly redeemed.

My administration has stepped up the pace of CARP [Comprehensive Agrarian Reform Program] implementation. During this first year, we have acquired and distributed and titled some 382,000 hectares, with nearly a quarter of a million farmers benefited. This is 41 percent of all land titles distributed by the Department of Agrarian Reform during the last 30 years. [applause] [passage omitted]

In tourism, we are beginning to reap dividends from our efforts to improve the country's image and develop environment-friendly ecotourism. Tourist arrivals reached 1.15 million in 1992, up by nearly 200,000 compared to 1991. This generated tourist receipts of some \$1.7 billion, an increase of 30.6 percent over the previous years. Tourism arrangements made with our ASEAN neighbors, a new tourism estate development, will boost our earnings from this source. [passage omitted]

In energy, the dark time is almost over. By year end we shall have added 900 megawatts to the Luzon Grid. This should, once and for all, put an end to the brownouts in households in Luzon. By the second half of 1994, we shall have reliable power service for industry. In the Visayas, power has been adequate and projects are ongoing to be sure that no deficiencies occur. In Mindanao, the National Power Corporation has just announced the complete restoration of power normalcy effective today. [applause]

In rural electrification, we have energized 94 percent of all our towns and cities and 63 percent of our barangays. But we should strive harder so that more of our countrymen shall have electricity. There are bills in Congress which we support to strengthen the NEA [National Electrification Administration] to enable it to carry out its mission better.

We continue to develop geothermal energy, a competitively-priced indigenous and environment-friendly option. PNOC's [Philippine National Oil Company] additional plants, between now and 1998, will increase

baseload geothermal capacity by 150 percent. More geothermal resources must be found.

We therefore urge Congress to enact the Geothermal Bill to encourage more exploration. Our development program in power indeed is designed to provide comprehensively for our industrial future.

On environment, in the past, many nations, ours included, tried to attain wealth by withdrawing from their ecological capital. We are now paying dearly to restore what we took out of our forests in the past. So while we still can, we must seek growth that does not exploit our country's natural wealth. Thus we strongly uphold our commitment to the Rio Declaration and Agenda 21, which is the global blueprint for sustainable development. [passage omitted]

On the quality of government. A bureaucracy that is vision-driven and manned by a well-motivated and innovative workforce provides the foundation upon which we can pursue our goals vigorously. This is a critical requirement for securing our environment for development: A civil service honest and efficient to facilitate the workings of the free market. One of my first moves was to issue Memorandum Order Number 27, ordering all departments and agencies to eliminate duplication of functions, achieve greater cost-effectiveness, and rechannel resources to priority projects. But our efforts have been hampered by multiple barriers to change which are, ironically, engraved in the Civil Service Law. Although it was not so intended, the Civil Service Law sometimes acts as a break on efforts at reform. It is time we address this issue together. Give me the authority to reorganize the bureaucracy and I assure you that we shall achieve the kind of organization required for efficient, effective, and quality administration. [applause]

By the same token, let us recognize that an efficient bureaucracy depends on decently paid civil servants. [applause] I ask Congress to amend our existing compensation laws so that government, [applause] I ask congress to amend our existing compensation laws so that government can begin to attract into and retain talent in the service, especially from among our best and brightest.

On the administration of justice. I know you are as concerned as I am about our people's perception of the judiciary. I have said it before and I say it to you again: I have no doubt the majority of our judges are as honest, hardworking, and dedicated as they have solemnly sworn to be. But we cannot permit the erosion of people's faith in the judiciary, which is the indispensable third pillar in our democratic system of government.

The most urgent problem is how to deal with our clogged dockets, with over 300,000 undecided cases in our regional trial courts alone. And so instead of just blaming our judges for the delay, let us find practical ways of helping them along. [passage omitted]



Development is impossible if it is not people-powered and people-centered. Whenever foreign observers look at our country, their principal wonder is how we have managed to languish in underdevelopment in spite of our tremendous human resources, especially our labor force: their literacy, their competence, their resourcefulness, their high sense of moral values. It is time we fully harnessed this precious asset to bring about greater productivity and social cohesion.

We have embarked on a clear population policy that recognizes the need to moderate our population growth rate. At 2.3 percent, it is the highest in our part of the world. This rate of growth impairs our capability to improve our quality of life. It strains both our natural environment and our resources for providing jobs, education, housing, health, and other social services.

Government has committed itself squarely to a family planning program based on choice and with the goal of bringing down the growth rate to under 2 percent by 1998. [applause]

For this, education and advocacy are our principal tools. And we look to partnership with the private sector and non-government organizations in reaching out to our people. We must achieve an appropriate growth and distribution of our population, consistent with sustainable development. We must reduce and eventually reverse migration into cities and uplands and thereby check the congestion in our major urban centers and environmental degradation in our uplands.

On education. Ensuring full and unimpeded access by all to both primary and secondary schools is the most effective way of empowering ordinary people. Education reform must also develop a curriculum strong in science, mathematics, and languages. And it must include enhancement of the conditions of teachers, in both their livelihood and their work. Vocational education and technical training should keep to their basic purpose, which is to prepare young people for worthwhile jobs and to teach new technologies that our economy needs. College and university level education should focus on developing competent professionals and on nurturing a culture of scientific excellence. [applause]

We will expand the public school network to the rural barangays which are still without public elementary schools and all municipalities still without any high school, public or private. [applause]

All these require fundamental reorientation of our values and a continuing review of our education and training policies.

Of all government public services, we have reason to be proud of our National Health Care Program. For several years now, health care has stood high in our people's esteem because service delivery is sustained and dedicated. We have moved to improve these services further. In particular, government has implemented new policies

and programs to increase life expectancy by extensive immunization, improved nutrition, and environmental sanitation.

We look at the housing problem not only as an opportunity to propel economic activity, but more as a challenge to alleviate the sad plight of our people in our slum dwellings. The challenge is to ensure continued investment in low-cost housing through stable financing by devising new and imaginative arrangements that will maximize the private sector's role. [passage omitted]

In foreign relations, we too are striking out in new directions. The visits I have been making to our neighbors are meant to signal the priority we are giving to ASEAN and the larger Asia-Pacific region.

With the United States, we are entering a new era based on partnership and cooperation, while further strengthening our relationship with Europe and the countries of the Middle East.

Now, more than ever, we must place our diplomacy in the service of our economy and our external security. Our foreign missions have focused on attracting investments, developing export markets, promoting tourism, gathering economic information, and facilitating the flow of development aid.

In cooperation with our partners in ASEAN, we are promoting confidence-building measures among the claimants to the disputed areas of the South China Sea and we are taking part in cooperative arrangements to advance national security.

In addition to our preferential trade arrangements, we in ASEAN have also come together to give our six countries the economic weight, the cultural variety, the talent pool, the technological resilience, and the attractiveness to investors that we need to become a major player in the world. [passage omitted]

We are at a critical hour in our life as a nation. Depending on how we act, our country shall either prosper or falter. Depending on how well we match our words with deeds, our nation shall enter into its second century dragged down by crises and factionalism or raised by achievement and pride. Our history teaches us that the exercise of power must be guided by principle for power exercised without principle is ruthless and principle without the exercise of power cannot move our nation forward. [applause]

My dear countrymen, with the help and guidance of our God, let us start moving towards the great destiny we have been hoping for. Invoking God's blessings, let us move forward and fulfill our destiny.

Long live the Philippines 2000.



**Thailand****Editorial Praises ASEAN Nuclear-Free Moves**

*BK2707033393 Bangkok BANGKOK POST in English  
27 Jul 93 p 4*

[Editorial: "Timely ASEAN move to curb nuclear arms"]

[Text] THE joint communique of the 26th ASEAN ministerial meeting emphasised moves by the regional organisation towards establishing a nuclear weapons-free zone in this region. The urgency of developing this into a global pattern was underlined during the Post-Ministerial Conference with ASEAN's dialogue partners yesterday.

US Secretary of State Warren Christopher hammered home the need for strong international efforts to combat the spread of weapons of mass destruction and their means of delivery while Singaporean Foreign Minister Wong Kan Seng declared nuclear proliferation to be "a real threat" to global security amid changes in the post-Cold War period. South Korean Foreign Minister Dr Han Sung-chu called the proliferation of weapons of mass destruction the "most alarming issue" in the post-Cold War period and Japanese Foreign Minister Kabun Muto broadened the issue by calling for moves to increase the number of signatories to the Chemical Weapons Convention.

None of these ministers were exaggerating the dangers posed by the spread of nuclear and other weapons of mass destruction. One of the horrors of the proliferation of nuclear and other weapons is how common it has become. During the fearful days of the Cold War, all of us lived in dread of a massive nuclear exchange between the superpowers which would destroy the world as we know it.

This now is extremely unlikely, but our fears of those days have been replaced by new ones. Now, there is the danger that a local war will escalate quickly into a nuclear exchange, or a massive attack by "poison gas"—the tonnes of biological and chemical agents stored by far too many nations capable of killing millions, and then spilling over borders to kill and devastate other nations.

The problems of proliferation are many, and they are varied. They range from the purely diplomatic, such as dealing with the leftover Soviet nuclear weapons and missiles, to the alarming, such as North Korea's development of nuclear equipment. Of equal concern is India's assertion that it will continue to produce material for atomic weapons, while refusing to sign a pact with Pakistan to freeze such projects. This is especially scary in light of the tension over Kashmir and the possibility of a flare-up at any time.

One of the most productive side effects of the Gulf War was the opportunity provided to the world community to crack down forcefully on Iraq's weapons build-up. Sadly,

this was not an illustration of world support for moving against dangerous nations with stockpiles of evermore hazardous arms. It was only a by-product of Iraqi President Saddam Hussayn's misjudgment in stepping across his own border to attempt to conquer another country. There is good reason to believe that Iraq is not the only country in the Middle East with ambitions—and the capability—of building a sizable nuclear arsenal.

Sensible and forward-thinking leaders and nations—including Thailand—will continue to play by both the written and unwritten rules of international conduct. There are no easy or unique solutions to dealing with a nation which secretly develops nuclear weapons, or claims that its poison-gas factory is simply manufacturing pharmaceuticals. One reality we must all deal with is that countries have the right to secrecy in their defence industry and policy.

Information is a major approach that can be used against nations and movements which might store and use terrible weapons against us or our neighbours in the world. So, too, is ostracism. A carefully considered embargo, such as the one which deprived Libya of access to much of world commerce because of its support for terrorism, is always a path open to the international community. ASEAN has its priorities right and the ministers deserve our support as they seek action to curb and, where possible, outlaw these terrible weapons.

**Seminar Held on Prevention of Copyright Violations**

*BK2607142393 Bangkok Army Television Channel 5 in Thai 1200 GMT 26 Jul 93*

[Text] The Commerce Ministry and the Thai Magnetic Tape and Record Association today held a seminar to review regulations aimed at preventing copyright violations. Deputy Commerce Minister Churin Laksanawisit, who presided at the seminar, granted an interview. He said it was possible that Thailand could avoid U.S. trade retaliation because Thailand had been trying to create a better understanding as well as pursuing steps to solve the problem.

[Begin Churin recording] There should be no retaliation from the United States if it judges us fairly by what we have done. And this would be good enough for the mutual atmosphere. But if Thailand is lifted from the U.S. PFC [priority foreign country] watchlist, that would be better, and that is our wish. Anyway, I cannot give you an assurance. We still have to wait for the outcome of talks. [end recording]

**Delegates Deny Secret Copyright Deal With U.S.**

*BK2707034593 Bangkok BANGKOK POST in English  
27 Jul 93 p 24*

[Text] WITH Thai-US trade talks due to begin in Washington late last night, Bangkok time, Thai delegates



denied yesterday that Commerce Minister Uthai Pimchaichon had secretly agreed to grant Americans new rights under the bilateral Amity Treaty.

Mr Uthai, who left yesterday on a separate trip to attend a trade fair in Osaka, also denied reports that he had agreed to allow Americans the same rights as Thais to engage in activities such as the manufacture of canned tuna and frozen chicken.

Some confusion did remain among some Thai officials. At one stage, some said Mr Uthai had agreed verbally during talks in Washington in late April and early May to expand the 1966 treaty to extend Americans' preferential rights to do business in Thailand from service professions to the manufacture of selected products.

Yesterday, one official said he understood from discussions with US officials that Mr Uthai and his delegation had promised that the Thai Government would make "the best efforts" to accommodate US requests on the Amity Treaty and for a reduction in import duties on films. But another member of the Thai delegation in Washington, interviewed by telephone, flatly denied that such a promise had ever been made.

This week's talks include a meeting scheduled for tomorrow between Deputy Prime Minister Suphachai Phanitchapak, who heads the Thai side, and US Trade Representative Mickey Kantor.

By Saturday, Mr Kantor is due to announce whether he will impose sanctions against Thailand, leave Thailand on the "Priority Foreign Country" list of trading partners under immediate threat of sanctions or remove Thailand from the list, perhaps to another list reflecting a lower priority.

Mr Kantor announced on April 30 that the Thai crack-down on audio and video tape piracy had persuaded him not to impose sanctions. He said he would announce by July 31 what further action he would take.

Delegation sources, who asked not to be named, said two issues were likely to dominate:

- US dissatisfaction with some provisions of the copyright law amendment bill approved by the Cabinet this month and due to be submitted to Parliament this week; and
- The Thai Government's reluctance to approve the full seven years of "pipeline" protection for drugs already invented, but unavailable in Thailand when the new pharmaceutical patent law came into force last year. The Cabinet has approved protection of about four years.

According to one Thai delegate some of the US complaints were already tackled when the Cabinet amended an early draft of the copyright bill. For example, the right of the Government to make copies of computer software has been restricted specifically to authorised personnel as part of their investigations into piracy.

The delegate predicted that some of the of the other complaints about the copyright law should not be serious enough to justify US retaliation. For example, he said, although the Americans have objected to provisions allowing "reverse engineering"—the practice of unravelling programmes in order to write new programmes based on their structure—the issue is so new and technical that even the US government has not fully accepted extending copyright protection.

This delegate was upbeat about the prospect of Thailand being dropped from the "Priority Foreign Country" list. Another said much would depend on the ability of Dr Suphachai and his team to convince the Americans of the Thai Government's sincerity in tightening up intellectual property rights protection.

### Official Concerned Over New Copyright Law

BK2707035593 Bangkok THE NATION in English  
27 Jul 93 p B1

[Text] A senior officer at the Commerce Ministry expressed concern that the United States might not yet be satisfied with the progress the Thai government has shown towards the protection of copyrights if the Thai Parliament fails to pass the first reading of the draft copyright bill during the present Parliamentary session.

"What the US Trade Representative Mickey Kantor has demanded is not just a complete draft of the copyright bill but at least, that the bill should have sailed through the first reading of the current parliamentary session, which will be closed by the end of this month," said the official, who requested anonymity.

Thai officials earlier said that there remained a lot of ambiguity in the letter sent by Kantor, outlining what Bangkok should do to improve the protection of intellectual property rights. Among the steps requested by Washington was the introduction of the bill to the parliament, but the letter fails to specify how far the Thai government should have gone in the parliamentary process by the deadline of July 31.

The participants at a recent meeting of the International Economic Affairs Policy Committee interpreted the demand raised by Kantor and agreed that the approval of the copyright bill might not be enough.

Deputy Commerce Minister Churin Laksanawisit said that he could not confirm whether the copyright bill will pass the first reading at the current parliamentary session. "There are a number of issues queuing up for consideration at the Parliamentary session," Churin said.

But Churin said that the United States should be satisfied with the progress being made by the Thai government. "We have upgraded the standard of copyright protection to an internationally-accepted level," he said.

Commerce Minister Uthai Pimchaichon, meanwhile, defended his decision to order an investigation into



Permanent Secretary of Commerce Phatchara Itsarasena shortly before Phatchara accompanied Suphachai to Washington by saying that "The timing of the order was just accidental," he said.

Last week Uthai ordered an investigation into the allegation that Phatchara had "exercised his authority illegally." The move might have prevented Phatchara from accompanying Deputy Prime Minister Suphachai Phantichaphak to Washington for talks with the US Trade Representative on the ongoing trade disputes between Thailand and the United States.

Phatchara accompanied the delegation to Washington after the intervention of Prime Minister Chuan Likphai.

"The investigation issue is absolutely irrelevant to the trade negotiations, and if Phatchara loses his concentration during the trade talks (due to the investigation) he should let others handle his job," Uthai quipped.

Phatchara was charged with allegedly abusing his authority by dismissing a former middle-ranking official, Phatiham Bunsanong, several years ago.

Deputy Commerce Minister Phaitun Kaeothong said that the allegation of misconduct by Phatchara is undermined by two points.

The first is that Phatiham has the right to plead against his dismissal, through Uthai, under the procedures of the Civil Service Commission.

The second point is that the dismissal order was made not by Phatchara alone, but by the whole sub-committee of the Civil Service Commission.

#### **Lao Trade Delegation Seeking Enhanced Relations**

*BK2307102793 Bangkok Radio Thailand Network in Thai 0530 GMT 23 Jul 93*

[Text] Sompadit Volasan, trade minister of the Lao People's Democratic Republic, and his delegation comprising representatives of the Lao Government and private sector are currently paying an official visit to Thailand from 21 to 27 July.

Commerce Minister Uthai Phimchaichon said that the Lao delegation's visit will help upgrade trade and investment relations and cooperation between Thailand and Laos.

[Begin Uthai recording] The Lao delegation said that taxes imposed on several products are too high and create obstacles to Lao trade and asked the Thai side to reduce them. The Thai side has accepted the request for consideration and promises that it will try to reduce the taxes as soon as possible as a contribution to economic development in Laos. Meanwhile, Laos appreciates Thailand's potential in the development of export goods and industries. In this regard, Minister Sompadit wants Lao officials and businessmen to come here to observe

measures and methods used by industrial development institutes such as the Exports Promotion Department and textile factories. They also want to send their officials here for training. Thailand is willing to cooperate with Laos in this regard. [end recording]

#### **Laos Refuses To Accept Hmong Who Fled in 1975**

*BK2607022393 Bangkok BANGKOK POST in English 26 Jul 93 p 3*

[Text] LAOS will not take back Hmong rebels who have fled to Thailand since the communist victory in 1975, according to Bouaban Volakhoun, Laotian Deputy Minister for Information and Culture.

Bouaban, in a statement to reporters during a visit to Bangkok last week, said Hmong who fled to Thailand to escape persecution by the Laotian government should not be taken back because they never helped develop their country.

A police source said Hmong who fled refugee camps in the North, Northeast and in Phanat Nikhom, Chon Buri, are working in small factories in Sara Buri and nearby provinces.

National Security Council chief Gen Charan Kunlanit, after a meeting of Thai, Laotian and UNHCR [UN High Commission for Refugees] representatives on July 15-16 in Suvannakhet district, said the UNHCR has pledged to help pay for a repatriation programme in Thailand.

Gen Charan said that illegal Hmong refugees in Sara Buri will soon be repatriated and their supporters must be brought to trial, according to the source.

During the last two years, only 5,000 of the 18,000 Laotian refugees in Thailand have been repatriated largely due to the lack of facilities and the conflict between lowland and highland Hmong, Gen Charan added.

#### **National Security Chief on Relations With Laos**

*BK2507074693 Bangkok Radio Thailand Network in Thai 0530 GMT 25 Jul 93*

[Text] General Charan Kunlanit, secretary general of the National Security Council, granted an interview with a correspondent of the Public Relations Department on actions taken in connection with Lao refugees who have sneaked out of refugee centers to get detoxification treatment at Tham Krabok Temple in Sara Buri Province. He said that the cabinet has been informed about the issue. According to a survey conducted by the Interior Ministry, the Hmong receiving treatment for drug addiction at the temple can be classified into three groups—Thai Hmong, Lao Hmong who have sneaked out of refugee centers, and illegal immigrant Hmong. The two latter groups number several thousand and they



are the ones who cause most of the problems for authorities. Officials will take legal action against those who have helped bring the Hmong drug addicts to the temple.

Asked if the prime minister has issued any special policy in this regard since there may be repercussions on Thai-Lao relations, the secretary general said that the prime minister has issued a general policy in dealing with Lao refugees which is aimed at strengthening Thai-Lao relations and eliminating suspicion and distrust on the part of the Lao side. During the recent meeting on the Lao refugee problem in Laos' Savannakhet Province, Thailand pledged not to support or allow any groups of individuals to use Thai territory as their bases against the Lao Government. The Lao side has been well informed of the Thai side's endeavors to solve this problem. He said he firmly believed that the presence of the Hmong refugees at Tham Krabok Temple will not affect Thai-Lao relations.

#### **Views Regional Cooperation**

*BK2307101993 Bangkok Radio Thailand Network in Thai 0530 GMT 23 Jul 93*

[Text] General Charan Kunlawanit, secretary general of the National Security Council, said the major principle in solving the border problem with Burma is a reaffirmation by the Thai Government of its policy of not supporting the struggle by minority groups along the Thai-Burmese border, or the cross-border drug and weapons trade. The Thai-Burmese Joint Committee will be instructed to find ways to further strengthen relations between the countries while adhering to the principle of human rights.

Touching on the progress of the pilot development projects under the regional cooperation strategy and policy, the secretary general said that talks will be held to secure cooperation in politics and development of economic infrastructure and human resources. He believes that these projects will this year win support from both the government and private sector, in particular the honorable repatriation and resettlement of refugees. He said:

[Begin Charan recording] The region we are talking about comprises Laos, Vietnam, Cambodia, Burma, the southern provinces of China, and the ASEAN member countries. Government agencies concerned have already worked on several projects such as the joint development of four countries; the quadruple development program involving China, Burma, Laos, and Thailand; the joint triangle development program involving Thailand, Malaysia, and Indonesia; and planned construction of roads from Chiang Rai Province to Kengtung and Chiang Rung and the Thai border to Laos' Luang Namtha Province. Eleven such roads are to be built in Indochina. The countries involved must first hold consultations and agree on a priority list of these programs.

The pilot projects will be kicked off this year and will be initially implemented for a period of three years. Our

cooperation will be in the economic field, particularly infrastructure development. [end recording]

#### **Condemns Terrorist Acts in Cambodia**

*BK2607120193 Bangkok Radio Thailand Network in Thai 1200 GMT 25 Jul 93*

[Text] Whether the bombing of two Cambodian bridges close to the Thai border would disrupt the withdrawal of the UNTAC [United Nations Transitional Authority in Cambodia] forces from Cambodia, General Charan Kunlawanit, secretary general of the National Security Council [NSC] has the following views. He expressed confidence that the new government in Cambodia would be able to control terrorism, and the sabotage of the bridges would not affect UNTAC's withdrawal. He condemned the act as evil.

[Begin recording] [Charan] I have received vague reports about the explosions. They did not say who planted the bombs. I must be careful on that. We cannot blame anyone until we have checked the results of the investigation. I cannot blame any particular group. But I condemn these acts of sabotage against public property. These acts are evil, and Thailand never supports them. We condemn them no matter who was responsible. This is important. Luckily, no one was killed or injured in the incidents. But the bridges are public utilities. They are what Cambodia needs for development, and for the Cambodian people's welfare and happiness. If such acts are not beyond the control of the present government in Cambodia, I am confident the new Cambodian government would be able to put down such terrorism. Thailand was able to put down such acts of terrorism. If the people are happy, there will be no more terrorism. I would like to appeal for continued efforts to help the Cambodian people improve their welfare.

[Unidentified correspondent] Will this kind of incident disrupt the UNTAC plan for withdrawal?

[Charan] I don't think so. As I have said, they are minor incidents in terms of security. I am confident that the Cambodian government, with help from UNTAC, will be able to put down such an evil act. As for the continued UNTAC presence in Cambodia, this is really a serious question to talk about because it involves money. Besides, the UNTAC forces have been there for so long now. They must miss their families by now. They have been in Cambodia for a long while and it is natural for them to want to go home. [end recording]

#### **Kazakh President Concludes Visit 23 Jul**

*BK2307134893 Bangkok Army Television Channel 5 in Thai 1200 GMT 23 Jul 93*

[Text] Nursultan Abishevitch Nazabayev, president of the Republic of Kazakhstan, his wife and entourage left Thailand on board of a special plane of Kazakhstan's airline this morning. Seeing the Kazakh delegation off at Utaphao Airport in Sattahip District of Chon Buri Province were Colonel Chinawut Sunthonsima, minister



attached to the Prime Minister's Office and a number of military officers and government officials.

During the visit, the foreign ministers of the two countries signed an agreement on the establishment of a joint committee for economic and investment cooperation between the two countries. Kazakhstan invites Thai investors to invest in the republic.

### **Official Views Territorial Waters Dispute With SRV**

*BK2407032193 Bangkok THE NATION in English  
24 Jul 93 p B1*

[Text] The Ministry of Foreign Affairs will suggest to Vietnam that—for mutual benefit—both embark on joint development in disputed waters of the Gulf of Thailand, said Deputy Foreign Minister Surin Phitsunwan.

Surin said that the disputed areas, which have been the territory of pirate fishermen in the past, are full of natural resources such as fish and petroleum.

"The area between Thailand and Vietnam, about 6,000 square kilometres, is full of misunderstandings.

"Each has declared its specific economic areas in the territorial water," he said.

He said that the Thai ministry will find a way to resolve the dispute as soon as possible.

"We both have to settle the disputes immediately. We need a bilateral agreement to set an international order between both countries in order to prevent future trouble.

"The effort to set the international bilateral agreement, or order, will boost the confidence and trust of both countries," he said.

He said that if there is a bilateral agreement, a joint development area plan could be successful. The plan which will be proposed to Vietnam will be similar one earlier agreed by Thailand and Malaysia.

Citing the bilateral agreement between Thailand and Malaysia on the joint development area, he said that both countries will cooperate in searching, surveying, and extracting natural resources.

"In the case of Thailand and Malaysia, we agreed to cooperate in overlapped territories. In the case of Thailand and Vietnam we will have to help Vietnam to understand the problem and the benefits—national interest—to ensure that both sides are sincere."

The ministry will start to draft a bilateral treaty for Vietnam's consideration. Bilateral laws like this are such delicate matters that the ministry must take its time, he commented.

However, the Ministry of Foreign Affairs, the Royal Navy and the Fisheries Department will all work together to resolve the territorial disputes, he added.

Meanwhile, To Long Ha, vice president of the People's Council in Min Hai province, Vietnam, told Thai fishery authorities yesterday that the Kingdom's businessmen were still welcome to invest in fishmeal, ports, and fishing in the country.

### **Vietnam**

#### **Foreign Minister on POW, MIA Issue in Singapore**

*BK2607120893 Hanoi Voice of Vietnam in English  
1000 GMT 26 Jul 93*

[Text] Vietnamese Foreign Minister Nguyen Manh Cam said: Vietnam has nothing to conceal and to benefit from the issue of American servicemen missing during the Vietnam War. Mr Cam was speaking to a Reuters correspondent before his meeting with the U.S. Secretary of State Warren Christopher, when both were in Singapore for the ASEAN Foreign Ministers Meeting.

This is the first meeting between Vietnamese and American Foreign Ministers since the end of the Vietnam War in 1975. Foreign Minister Nguyen Manh Cam said: Vietnam will continue to cooperate with the U.S. in solving the POW/MIA issue. He said: Vietnam's cooperation in this matter has been appreciated by the U.S. President and the public.

#### **Commentary Reviews U.S., Japanese Economic Ties**

*BK2607130393 Hanoi Voice of Vietnam in English  
1000 GMT 26 Jul 93*

[Station commentary]

[Text] A trade delegation of the United States arrived in Vietnam on Monday. It includes representatives of ten large companies in the United States, and is organized and sponsored by the Vietnam-U.S. Trade Council. The delegation's aim is to study and prepare for new development including relations between Vietnam and the United States. The visit is in conformity with the aspiration and interest of many Americans, particularly American business organizations.

Recently some big American companies such as Citibank, Mobil, Amoco, Exxon, and Bank of America have discussed doing business with Vietnam. The Asian Commercial Chamber of the United States has also expressed the American businessmen's desire to be now present in Vietnam. Other Americans have openly voiced support for a new policy towards Vietnam. On the public hearing on U.S. policy towards Vietnam last week, Senator John Kerry supported the lifting of the U.S. embargo. Senator Bob Kerrey also backed John Kerry's view, and Assistant



to the Defense Secretary of the U.S.A. Mr. (Ross) said: It's time for the U.S. to lift the embargo against Vietnam.

These officials agreed that recent decisions made by President Bill Clinton about Vietnam were correct. Nevertheless, President Clinton should take further steps in completely abolishing the embargo and establishing normal relations with Vietnam. It's clear the common trend in America is normalization of relations with Vietnam.

While Washington has not yet taken further steps to normalize relations, Japan is already doing business with Vietnam. And relations and cooperation between Vietnam and Japan are taking place in many other areas such as politics, economy, and culture. Japan was not the first country to set up business relations with Vietnam. Hong Kong, Britain, France, and Australia had committed to invest more than \$1.4 billion in Vietnam while Japan still pondered what to do. Not until last November did Japan decide to do business with Vietnam. But now Japan has invested \$500 million in Vietnam, and nine large Japanese companies have opened representative offices in the country seeking business opportunity. So are American companies, but they cannot yet do business because of the economic sanction.

A WASHINGTON POST article last month stated that Japan is carrying out a long-term and large-scale program of doing business with Vietnam, but now sees Tokyo equal with many West European and Asian countries in the Vietnamese market.

**Army To Distribute Educational Book on Religion**  
*BK2507124593 Hong Kong AFP in English 0816 GMT 25 Jul 93*

[Excerpt] Hanoi, July 25 (AFP)—Vietnam's army is to distribute an educational book on religious issues to its soldiers for the first time, a newspaper reported Sunday as rising tensions between a Buddhist group and the government were reported.

The book, titled "Facts About Religion in Vietnam," was written by a group of professors and colonels with the aim of providing "information on religion and the religious policies of the army and the state," the QUAN DOI NHAN DAN said.

This was the first time that Vietnamese army officials have edited a book on the controversial subject of religion.

The military newspaper said the book would be "very useful" for soldiers and officers and would allow them to adapt to the recent religious changes in the country.

In the past two years the communist government has allowed greater religious freedoms but this has not stopped conflicts between the Unified Buddhist Church and the government. [passage omitted]

**Cambodian Cochairmen Greet Vo Van Kiet**

*BK2407152193 Hanoi VNA in English 1506 GMT 24 Jul 93*

[Text] Hanoi VNA July 24—Mr. Norodom Ranariddh and Mr. Hun Sen, co-presidents of the interim national Government of Cambodia, reaffirmed that they would do all they could to establish and consolidate the friendship and neighbourliness between the peoples and Governments of Cambodia and Vietnam. In their message addressed to Vietnamese Prime Minister Vo Van Kiet expressing thanks to the Vietnamese leader for his congratulatory message on their new positions the Cambodian co-presidents pointed to the key task in their government's foreign policy to establish friendly relations with all countries, especially neighbouring countries, on the basis of equality, respect for national independence, sovereignty and territorial integrity of other countries, and non-interference into other countries' internal affairs.

**Deputy Foreign Minister Visits Lebanon**

*BK2407154993 Hanoi VNA in English 1543 GMT 24 Jul 93*

[Text] Hanoi VNA July 24—Deputy Foreign Minister Nguyen Dy Nien visited Lebanon from July 21-23. On July 22, the Vietnamese diplomat was received by Lebanese Foreign Minister Faris Buwayz who expressed the Lebanese Government and people's fine sentiments to the Vietnamese people in their past struggle for national independence and their present national construction, and expressed the desire to enhance the friendship and cooperation between the two countries. The Lebanese foreign minister wished that Vietnam would participate in the post-war re-construction in Lebanon. Deputy Foreign Minister Nguyen Dy Nien exchanged views with Thafir Al-Hassan, general secretary of the Lebanon's Foreign Ministry, on international and regional matters of common concern. They also discussed ways and means to develop the two countries' cooperation in all fields, especially in economy and commerce.

The Vietnamese deputy foreign minister spoke of the Vietnamese Government and people's wish to develop the comprehensive cooperation with Lebanon, notably in economy and workforce. He reaffirmed Vietnam's continued support to the stance of Lebanon and other Arab [words indistinct] the Middle East peaceful negotiation and Vietnam's demand for Israel to unconditionally withdraw from southern Lebanon.

**Singaporean Leaders Receive Foreign Minister**

*BK2607145793 Hanoi VNA in English 1442 GMT 26 Jul 93*

[Text] Hanoi VNA July 26—Foreign Minister Nguyen Manh Cam who is in Singapore to attend the 26th ASEAN ministerial meeting has been received by Singapore's Prime Minister Goh Chok Tong, Senior Minister Lee Kuan Yew, and Foreign Minister Wong Kan Song.



The Singaporean leaders highly valued the economic potentials as well as the achievements of Vietnam in the renovation process, and expressed their readiness to help Vietnam in technology, to share with Vietnam experiences in economic construction and management. They also promised to create conditions for Singaporean businessmen to invest in Vietnam. Prime minister Goh Chok Tong said the Singaporean Government and people would be very glad to welcome party General Secretary Do Muoi in October this year. The prime minister also reiterated the Singaporean presidents invitation to President Le Duc Anh to pay an official visit to Singapore. He also promised to visit Vietnam as soon as possible. Senior Minister Lee Kuan Yew, for his part, promised to visit Vietnam again.

#### **Delegation of Party Officials Visits PRC**

*BK2607144393 Hanoi VNA in English 1424 GMT  
26 Jul 93*

[Text] Hanoi VNA July 26—A delegation of the External Relations Commission of the Communist Party of Vietnam Central Committee led by deputy head Hoang Thuy Giang visited China from July 12-23.

The delegation was received by Dinh Quangen, Politburo member of the Communist Party of China (CPC) Central Committee [CC], and Li Shuzheng, alternate member of the CPC Central Committee and chairman of the External Relations Liaison Commission of the CPC Central Committee.

The Vietnamese delegation had working sessions with a delegation of the External Relations Liaison Commission of the CPC CC led by Vice-Chairman Zhu Shanqing. The two sides exchanged views on relations between the two parties and countries.

Besides Beijing, the Vietnamese delegation toured the provinces of Jilin, Guangdong and Heilongjiang.

#### **Lao Information Minister Pays 'Working Visit'**

*BK2607144993 Hanoi VNA in English 1425 GMT  
26 Jul 93*

[Text] Hanoi VNA July 26—A delegation of the Ministry of Information and Culture of Laos led by Minister Osakan Thamatheva paid a working visit to Vietnam from July 20-27.

While here, the Lao delegation had a working session with a delegation of the Ministry of Information and Culture of Vietnam led by Minister Tran Hoan.

The Lao guests were received by Nguyen Duc Binh, Politburo member and secretary of the party Central Committee and Nguyen Khanh, deputy prime minister.

They toured a number of information and cultural establishments in Hanoi, Hai Phong and Quang Ninh Province.

#### **Minh Hai Economic Team Visits Thailand**

*BK2407143393 Hanoi VNA in English 1354 GMT  
23 Jul 93*

[Text] Hanoi VNA July 23—A delegation of the southern Province of Minh Hai led by Chairman of the provincial people's committee Tran Van Mien is visiting Thailand to look for investment resources for the province's fishery and industry, reports a correspondent of VIETNAM NEWS AGENCY in Bangkok.

According to Minh Hai officials, the province is interested in cooperation with Thailand in fishing vessels building, domestic animal food processing, shrimp rearing and fish port building. So far, two companies of Thailand have entered into joint venture with Minh Hai Province in shrimp rearing and sea fishing.

After talking with Minh Hai officials, Thai Deputy Foreign Minister Surin Phitsuwan told the press that Thailand was prepared to sign a fishery cooperation agreement with Vietnam, and study the establishment of a common development region with Vietnam's provinces on the coast of Thailand gulf. This is the second southern provincial delegation to visit Thailand the first was from Kien Giang.

#### **Trade Delegation Returns From Visit to Russia**

*BK2707064193 Hanoi VNA in English 0614 GMT  
27 Jul 93*

[Text] Hanoi VNA July 27—A delegation of the Vietnamese Ministry of Trade headed by Minister Le Van Triet has paid a 5-day visit to the Russian Federation.

While there, Minister Le Van Triet held talks with Y. Glazyev, minister of foreign economic relations, had working sessions with I. Gorboushov [name as received], chairman of the Chamber of Commerce and Industry, and met with Vietnamese Russian [as received] businessmen.

Minister Le Van Triet was received by Y. Yarov, vice chairman of the Council of Ministers.

During the meetings, host and guest affirmed their governments' wishes to continue developing the economic and commercial ties, and discussed how to promote goods exchanges and services between the two countries.

#### **Vice Premier Phan Van Khai Visits Brunei**

*BK2707063593 Hanoi VNA in English 0611 GMT  
27 Jul 93*

[Text] Hanoi VNA July 27—Vice Prime Minister Phan Van Khai paid a visit to Brunei from July 23-25 as guest of Prince Sufri Bolkiah.

He was accompanied by Chairman of the State Committee for Cooperation and Investment Dau Ngoc Xuan, Vice Chairman of the State Planning Commission Vo



Hong Phuc and General Director of the Vietnam Oil and Gas Corporation Ho Si Thoang.

During his stay in Brunei, Vice Prime Minister Phan Van Khai had meetings with Prince Sufri Bolkiah, Mr. Idris, supreme advisor to the sultan and chairman of the Brunei Investment Office, and other Bruneian officials. Vice P.M. Khai and his party also called at several oil exploitation and liquid gas establishments in Brunei.

On July 24 Chairman Dau Ngoc Xuan and Prince Sufri Bolkiah signed an agreement on cooperation between the Vietnam State Committee for Cooperation and Investment and the Primal Company of the Brunei Royalty. Under the agreement, Primal will invest in a number of major projects in Vietnam.

On July 25, a ceremony was held to receive President Le Duc Anh's letter to invite the sultan of Brunei to visit Vietnam.

Followed by Prime Minister Vo Van Kiet's visit to Brunei in February 1992, Vice Prime Minister Phan Van Khai's visit would contribute to strengthening friendly relations and multi-sided cooperation between Brunei and Vietnam in the interests of the two peoples, and for peace, cooperation and development in the region.

#### **Vice Prime Minister Receives Lao Delegation**

*BK2307071893 Hanoi VNA in English 0542 GMT 23 Jul 93*

[Text] Hanoi VNA July 23—Vice Prime Minister Tran Duc Luong received here yesterday a Lao delegation led by Deputy Foreign Minister Phongsavat Boupha which is here for the 3rd session of the Vietnam-Laos border committee beginning on July 20.

Present at the reception were Le Minh Nghia, head of the Vietnamese Government's border committee, and Lao ambassador to Vietnam Khamphet Phengmeuang.

The two sides reviewed the implementation of the agreement on border regulations between the two countries. They reaffirmed their determination to maintain the border between Laos and Vietnam as one of peace, friendship, security and cooperation.

#### **Land, Agricultural Land-Use Tax Laws Introduced**

*BK2607134193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 Jul 93*

[Text] The Office of the President of the State convened a news conference in Hanoi this afternoon to introduce to the public the promulgation of the land and agricultural land use tax laws adopted by the Ninth National Assembly's Third Session.

Comrade Nguyen Viet Dung, director of the Office of the President of the State, introduced SRV President Le Duc Anh's order promulgating the aforementioned two legal documents.

Next, Comrade Nguyen Cong Tan, minister of agriculture and food industry, and Deputy Finance Minister Comrade Phan Van Vinh presented the main contents of the two legal documents and answered a number of questions raised by journalists concerning these two legal documents.

The mass media will introduce the land and agricultural land use tax laws to the public soon.

#### **Country Developing Economic Growth Triangles**

*BK2707043193 Bangkok BANGKOK POST in English 27 Jul 93 p 3*

[From the weekly "Inside Indochina" supplement]

[Text] INSPIRED by a development concept popular in non-communist Indonesia, Malaysia, Singapore, and Thailand, Vietnam is including two growth triangles among projects listed for external assistance and foreign investment. But the growth triangles shaping in Southeast Asia are not the only models for Vietnam, which is also a keen student of China's special economic zones.

Vietnam's planners have provided for growth triangles to be strategically located in the northern and southern parts of the country, with pivots at Hanoi and Ho Chi Minh City, in keeping with the leadership's wish for balanced development.

The projected northern triangle links Hanoi with the port city of Haiphong and the coastal province of Quang Ninh, famed for its wealth in coal and the beach resort at Ha Long Bay. Haiphong is the site of one of three Exporting Processing Zones (EPZ) so far licensed in the country. Two other EPZs are located in Ho Chi Minh City, the busy southern hub.

The southern growth triangle is to connect Ho Chi Minh City with Ba Rai-Vung Tau, the centre of the country's biggest investment magnet, the oil and gas industry, and Dong Nai Province, which encircles Bien Hoa, the site of the former US military base set to be developed as an industrial estate. The southern triangle is expected to be of immediate interest to foreign investors already drawn to the area by its natural resources. But, as many analysts see it, the northern triangle holds greater potential in the long run, because it is better placed for integration with the fast-developing southern region of China.

The growth triangles have been drawn up in line with the development plan adopted by the Vietnamese Communist Party's seventh congress in 1991 which called for the setting up of "a number of zones with special administrative and economic status favourable to foreign investment".

It also specified that: "State investment in these areas should be effective enough to allow capital accumulation to assist other regions."



The plan is being followed amid real prospects for foreign sources of funding, with Vietnam now on the road to attaining eligibility for loans from international financial institutions.

Vice Minister of Transport and Communications Le Ngoc Hoan said the first available loans would be channelled to the rehabilitation of the "deteriorating" infrastructure within these two projected growth areas.

For the northern triangle, Vietnam is seeking funds from the Japanese Government to turn Haiphong into an international deep sea port, and update Route 5 which links Hanoi with Haiphong.

For the southern triangle, Vietnam is seeking a US\$36 million loan from the Asian Development Bank to revamp Saigon port.

The United Nations Industrial Development Organisation recently launched a study on infrastructure in relation to foreign investment promotion that focuses on these two growth areas.

The study, due to be wrapped up by October, is expected to spell out clear guidelines for Hanoi in the overhaul of basic infrastructure in the growth areas—such as power supply, telecommunications, roads, ports, airports, cargo transportation—as well as review the requirements of the EPZ and industrial estates. Financed by Japan's Ministry of International Trade and Industry, the study is being carried out by planners in industrial and urban development, of whom seven are Japanese and one Thai.

The most pressing matter seems to be the promotion of the EPZ whose success, experts point out requires at least an effective transport system and legal framework for private foreign investment.

Besides the three EPZs already licensed, approval is being sought for others proposed in Can Tho and Danang. But the most visible progress by far has been the development of golf courses to cater to the foreign business community in the vicinity of the two projected growth triangles—one in Ha Tay province just outside Hanoi, and the other adjacent to Ho Chi Minh City.

**Accused Drug Trafficker Condemned in Ha Giang**  
*BK2307080393 Hanoi VNA in English 0609 GMT*  
23 Jul 93

[Text] Hanoi VNA July 23—[Word indistinct] another death sentence was handed down to a drug trafficker early this month, marking the second time in Vietnam when capital punishment was meted out for drug trafficking.

The convict, Le Quang Huy, native of Ha Giang township north of Hanoi, was charged with possession of 22.3 kilogrammes of opium. Two accomplices, Vu Dinh Bay, a lorry [words indistinct] brother Vu Dinh Lam, were respectively give life sentence and [number indistinct] years of prison.

In addition, the three convicts were fined [number indistinct] million dong each. The confiscated amount of opium [words indistinct].

The first death sentence was given by the Ho Chi Minh City People's Court to Wong Chi-sing from Hong Kong. Wong was apprehend at Tan Son Nhat Airport together with 5 kgs of heroin he had brought from Bangkok.

The court in Ha Giang [words indistinct] preparing [word indistinct] of a much bigger case involving the trafficking of up to 62 kgs of opium.



## Australia

### Kazakhstan Prime Minister Visits 23 Jul

BK2307102893 Hong Kong AFP in English 0653 GMT  
23 Jul 93

[Text] Canberra, July 23 (AFP)—The prime minister of Kazakhstan, Sergei Tereshchenko, arrived here Friday for talks with Australian officials on issues including disarmament, business links and security in the Asian region. Tereshchenko will meet with Australian Foreign Minister Gareth Evans, Trade Minister Peter Cook and several Australian companies interested in resource development, telecommunications, construction and agriculture. The three-day visit is the first by the head of Kazakhstan since the country gained independence in 1991 following the breakup of the Soviet Union.

Evans said Kazakhstan has become actively engaged in the global community since gaining independence and has taken a strong interest in enhancing the security environment in the central Asian region.

## Tonga

### Rimsat Parks Satellite in Space Taken by Indonesia

BK2307054893 Hong Kong AFP in English 0525 GMT  
23 Jul 93

[By Michael Field]

[Text] Auckland, July 23 (AFP)—Russia, acting for the Kingdom of Tonga, Thursday parked a satellite in a Pacific equatorial orbital slot where an Indonesia [as received], in apparent defiance of international regulations, is already operating, said Tongasat managing director Mats Nilson Friday.

Tongasat, a private franchise company set up to utilise Tonga's orbital slots, and the lessee of the new satellite, Rimsat, are going head-to-head with an Indonesian company part-owned by the members of President Suharto's family.

PT. Pacifik Satelit Nusantara (PSN) last year bought a 10-year-old Palapa B-1 satellite from the state telecommunications agency, renamed it Pacific 1, and moved it into an orbital slot claimed by Tonga. Rimsat leased a four-year-old domestic Gorizont satellite, owned by Moscow's Glavkosmos, and moved it into the same slot, reaching its position at 0200 GMT on July 22.

Although planned to operate commercially from late next month, Rimsat will only find out next week during tests on the satellite whether PSN will cause interference.

Nilson released Friday the text of a letter sent by Tongan Prime Minister Baron Vaea to the Indonesian minister of tourism, posts and telecommunications. Vaea said Tonga would, from the latter part of July, operate its satellite in the C-band frequencies from a satellite network placed in the orbital position of 134.0 degrees East. He said that on the basis of the International Telecommunications Union (ITC) regulations, Tonga had priority rights.

"(We) ask that you kindly refrain (PSN), or any other Indonesian commercial or Governmental operating agency, from operating C-band frequencies from any of Indonesia's networks that may be located close to or in the orbital position of 134.0 East, since they will otherwise cause Tonga and Tongasat economic harm," Vaea said.

On July 19 Nilson sent a letter to the director for radio frequency monitoring and control of the Indonesian Directorate General of Post and Telecommunications, Raden Saksono Sudarso, telling him that Rimsat would commence testing within 10 days using the entire 500 megahertz frequency band.

Indonesia has not replied.

Last week Saksono told AFP that Indonesia would not bend to pressure to pay to use the slot claimed by Tonga.

Saksono, however, said that "Indonesia leaves open the possibility to exploit the slot together with Tonga through some arrangement."

The Palapa B-1 had a specific southeast Asian target, but by moving it, PSN had taken its coverage range away from Indonesia, Nilson said from Washington. Most of its footprint is over the northeast Pacific Ocean with weak signals reaching parts of the Philippines, eastern China, Korea and Japan.

The Rimsat satellite, which arrived Thursday, has a footprint stretching from Hawaii to Iran, Japan to New Zealand, and will, Nilson said, be used initially to carry television signals.

Nilson said PSN was set up to make money out of old Palapa satellites which are steadily being replaced now. The only way they could operate was to move them east so they would link Hawaii with Asia.

"So they went to where they thought nobody would put satellites and guess who has satellite positions there: Japan, Russia and Tonga," Nilson said. "Now if you are going to choose who to try to roll over with a steamroller would you try to roll over Russia, would you try to roll over Japan? No of course not, you would try to roll over Tonga."

Similar conflicts are looming between Hong Kong's AsiaSat and Thailand's Chinnawat, the American Pan-AmSat and Papua New Guinea, Tongasat and Intelsat and Intelsat and Malaysia's Binariang Sdn. Bhd.



